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Editor and Publisher
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The Shape of Things

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IN RECOGNIZING THE SPANISH INSURGENTS, the British and French governments have completed the task of destroying one more potential ally and installing in its place an implacable enemy. President Azaña has resigned, and the Madrid government is reported to have agreed to an armistice. Although the recognition of Franco is being defended in London and Paris on the ground that prompt action was necessary in order to wean the Spanish rebels away from Hitler and Mussolini, it is doubtful whether even Chamberlain believes this to be possible. All the evidence points in the opposite direction. There is every indication that Mussolini will use his Spanish victory to bring immediate pressure upon France to grant concessions in Tunisia, Corsica, and Djibouti. The repatriation of some thousands of Italian citizens living in France is obviously part of the gigantic game of blackmail being built up to force French capitulation. Mussolini's press has made it abundantly clear that no Italian soldiers will be withdrawn from Spain until his "political victory" is secure. By the same token, British hopes of winning Franco away from the Rome-Berlin axis are doomed to frustration. The most tragic of the immediate consequences of the Loyalist surrender and the recognition of Franco by the powers is the probability of reprisals against the Loyalist population. Advance notice of impending mass vengeance was given by William Carney, Franco's correspondent on the New York *Times,* when he declared that the Nationalists "vigorously oppose any repetition of generosity toward the vanquished" such as was shown after the 1934 uprising—when thousands were killed and tens of thousands imprisoned.

*

RECENT GERMAN EFFORTS TO ABATE THE economic crisis have the appearance of rather desperate makeshifts. The new decree ordering Jews to surrender all articles of gold, silver, and platinum and precious stones suggests that the pot is being scraped to obtain any trifles which can be turned into foreign exchange. The fact that it is announced almost before the ink on the Rublee agreement is dry is another commentary on

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Nazi good faith. Even more blatantly in conflict with the plan for the "orderly emigration" of Jews is the new Berlin police order for the daily listing of 100 Jews, who will receive two weeks' notice to leave the country. Meanwhile, Aryans are also being subjected to a new squeeze. Income taxes—already tremendous—are being raised for single persons and childless couples. The amount which will be brought in is only a drop in the bucket, for in a full year it will be only some 300 million marks, whereas the monthly deficit is estimated at 500 million. Probably the increased rate is intended less for revenue than as a means of cutting down consumption and thus freeing more productive machinery for armaments and export goods. Another sign of economic difficulties is the conference between Mr. Frank Ashton-Gwatkin of the British Foreign Office and Herr von Ribbentrop which has been going on in Berlin in preparation for the forthcoming Anglo-German economic conversations. It is reported that the initiative in these negotiations has been taken by Germany, which wants to extend them to cover political questions. Britain's huge new rearmament program, coupled with its more aggressive tactics in meeting the Nazi trade drive, has underlined the German economic dilemma. If the Reich is to continue to keep its arms lead over Britain it must increase exports so as to buy the necessary raw materials abroad. But a trade war in which Britain employed its full financial resources would make this impossible. In view of these circumstances it would not be surprising if the Nazis attempted to make up for a shortage of economic weapons by a new display of saber-rattling.

✶

IT USED TO BE SAID OF THE MAGYARS THAT they frequently sold their country but always failed to deliver it; today it is more likely that they have delivered their country but will not be paid for it. The resignation of the anti-Semitic Premier Imredy for the fantastic reason that his grandmother is found to have been Jewish will not arrest the pace at which Hungary is becoming a vassal state of the Germans. His successor, Count Teleki, has, to be sure, smashed the Hungarists, most active of Hungary's three Nazi parties, but that is causing no concern in Berlin. No government of Hungary today can be anything but pro-German, and the Imredys and Telekis may be easier for Hitler to control than the Hungarists, whose megalomaniac nationalism might under some circumstances even run counter to German interests. The very day Teleki clamped down on the Hungarists he signed the anti-Comintern pact, and the German Foreign Minister was quick to dismiss the suppression of the Hungarian fascist group as "purely an internal affair." At the same time all is not quiet on the eastern front. Mass opinion in Poland, bitterly anti-German for generations, bubbled over in a series of press attacks and student demonstrations, touched off ostensibly by Nazi attempts to "depolonize" the Free City of Danzig. Enraged at the reports of signs posted outside Danzig cafes reading "Dogs and Poles Not Admitted," Polish throngs greeted Count Ciano, who arrived from Italy at just the wrong moment, with cries of "Down with Berlin! Down with the Rome-Berlin Axis!" The Poles are now wistfully engaged in an attempt to woo Mussolini away from Hitler. It is hardly likely that an impoverished Beck will succeed where Chamberlain, with a continent to give away, has failed.

✶

THE 1940 PRESIDENTIAL CAMPAIGN MAY BE said to have begun at 7:14 p.m. Saturday in New York City. At that moment a blue-ribbon jury filed into a courtroom to find James J. Hines guilty of protecting the policy racket in New York—and launched District Attorney Thomas E. Dewey's campaign for the Republican nomination. Dewey's victory in this, the second trial of Hines, is a resounding one, though hardly in a class —to pick up a comparison suggested by the prosecutor himself—with the smashing of the Tweed ring. Hines is one of the most powerful of the Tammany district leaders, and gossip has linked him with racketeering for a long time. Samuel Seabury tried and failed to do what Dewey has accomplished—actually to prove the truth of these perennial whispers. Undoubtedly Dewey is the best district attorney Manhattan has had in a long time, but that is no qualification for a Presidential nomination. He has yet to give evidence of any understanding of social issues beyond the realm of "cops and robbers"; nor did he in the Whitney case—as an unanswered challenge to him in *The Nation* charged last January 11—show the same persistence in dealing with malefactors of great wealth that he has shown in pursuing the more obvious and less powerful type of wrongdoer. Throughout both trials he made a bad impression on the press, and reporters seem agreed in considering him high-handed and dictatorial.

✶

ALTHOUGH REAL-ESTATE AND FINANCIAL interests seem to give their hearty approval to the bill which would allow the FHA to guarantee another $3,000,000,000 in mortgages, the Wagner bill to provide another $800,000,000 for public housing is in danger of being smothered, sidetracked, or drastically reduced in Congress. Though such organs of business as the *Wall Street Journal* speak of the $3,000,000,000 in mortgage guaranties as a figure "more theoretical than real" in so far as "ultimate liability is concerned," no such attitude is displayed toward the Wagner bill. The $800,000,000 for which it provides might with equal justice be regarded as a liability "more theoretical than real," since this amount is for loans on public housing; the additional

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appropriation authorized for outright subsidies is only $45,000,000. We have no strenuous objection to the extension of mortgage guaranties; they *have* stimulated building. But more important than this financial featherbed for real-estate and financial interests is the continuation of the federal program of public housing.

*

IN PALESTINE THE BRITISH GOVERNMENT has taken a third major step in its appeasement policy. The new British plan for "solution" of the problem of the Holy Land is essentially as great a betrayal as the Munich pact or the recognition of Franco. The Balfour pledge is fully repudiated. The British mandate over the Holy Land is to be abandoned and a new Arab state established, linked by treaty to Britain, with "safeguards" for the Jews. Throughout the East the British plan will be accepted as further evidence that His Majesty's government understands only the language of the gun. The Arab leaders went to the London round-table conference not as vanquished fighters hoping for peace with justice but as proud victors in a struggle extending over three years, during which the British government has been unable to crush terrorism in Palestine. Many Arabs, judging Britain's intentions from deeds rather than words, came to the conclusion that permanent peace was the least of Britain's desires. The constant encouragement given to extreme nationalists, notably members of the Husseini family, in the form of official positions and access to sources of wealth discouraged moderate elements favoring compromise. But the Zionist leaders must also shoulder part of the blame for the present débâcle. Instead of trying to come to terms with their Arab neighbors, from the very beginning they hitched their wagon to the British imperialist kite. There is still hope that the latest British plan will be killed. The Jewish delegates to the London conference have rejected it unqualifiedly. But in the long run the Chamberlain government usually manages to accomplish its dubious objectives.

*

ANGERED BY CHINA'S FAILURE TO COLLAPSE in accordance with their predictions, Japan's militarists have gone to new extremes in the past fortnight. Not content with having provoked a major crisis with the Soviet Union over the fisheries and risked one with France over Hainan, they have chosen this moment to seek a showdown with Great Britain and the United States over the control of the International Settlement at Shanghai. And to make certain that their contempt for the West be understood beyond dispute, they have bombed a railway station in the crown colony of Hongkong, killing a British Indian policeman. The Shanghai issue is the most important that has arisen between Japan and the Western powers since the beginning of the present undeclared war. The International Settlement has become the focal point of Chinese and Western resistance to Japanese aggression. It is the citadel of Western economic power in the Far East. To permit Japan to police the concession would mean abandonment of British, American, and French commercial interests in the East; and the Shanghai Municipal Council has refused Japan's "request." The folly of seeking to bluff the Soviet Union, Great Britain, and the United States simultaneously has already been demonstrated by Moscow's rejection of the Japanese fisheries demands. If Great Britain and the United States continue to show backbone at Shanghai, Japan will have to choose between slow strangulation, the result of cooperation between Western and Chinese economic interests, and quick suicide through an irresponsible military adventure.

*

THE REFUSAL OF THE D. A. R. TO ALLOW Marian Anderson to sing in Constitution Hall in Washington was an ugly exhibition of intolerance, and the subsequent action of the Board of Education in refusing her the use of the Central High School auditorium was even worse because it was official rather than private. But we are almost glad the incident happened. In every city in the country, and especially in the South, discriminations of this sort are a commonplace. A thousand acts of injustice to Negroes go unnoticed and unprotested every day. It takes a sensation to jar awake the conscience even of people who look with horror at the racial outrages that mark the rule of Europe's dictators. The banning of a woman whom Toscanini has described as the world's greatest singer is just the right antidote for complacency. Important persons have protested; Mrs. Roosevelt has resigned from the D. A. R.; Jascha Heifetz, in Constitution Hall itself, announced his shame at appearing on a platform from which Miss Anderson had been barred. Because she is famous Miss Anderson can perform a unique function. She can, for a moment, crystallize and bring clear before our eyes the social indecencies that permeate race relations in this country. This is an important service to democracy.

*

IN ITS TREATMENT OF SPANISH REFUGEES the French government is expressing its own moral collapse. Thousands of soldiers and civilians have been herded into camps under conditions so bleak and inhuman that to many of them a return to Spain under Franco seems preferable. But there is one group that cannot choose that grim alternative—the non-Spanish veterans of the war. Among them are 128 members of the Abraham Lincoln Brigade, trapped in a desolate camp at Argeles and now utterly dependent upon the aid of Americans and the American government. Having ex-

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perienced the agonies of war, they are now through the courtesy of the Daladier government enduring the horrors of "peace." Their status is unique in that, while all of them resided in the United States before serving in Spain, they are not full-fledged citizens. Hence a good deal of red tape must be unwound before they are readmitted. In the meantime neither the food nor the clothing nor the shelter accorded them is adequate, and they are menaced by disease. They will be released from this wretched haven only if funds are provided for their expenses in France while they wait for passports.

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"THE WILL OF A PEOPLE" IS THE TITLE OF an excellent film of the Spanish civil war now on view at the Belmont Theater in New York City. Beginning with a series of exquisite shots of pre-war Spain, it quickly plunges into the vivid and terrible record, compiled from government archives, of a proud nation struggling to free itself from foreign and fascist domination. The newspapers record that the will of the Spanish people has been thwarted by overwhelming force and the connivance of England, France, and America; these heroic actors, named and nameless, proclaim that though one battle has been lost the struggle will go on. The film is to be exhibited throughout the country, the proceeds going to the support of Spanish refugees in France. It deserves a wide audience, not only because of its intrinsic interest but because it contains a lesson in the defense of liberty that Americans should ponder.

Appeasing Business

A RECENT article by Keith Hutchison suggested that the New Deal was turning sharply from reform to recovery and as a consequence, while resisting stoutly all attacks on its spending policy, would in other respects adopt a conciliatory policy toward business. In the past week this development has been taking shape rapidly. Before departing on his Caribbean cruise the President declared that business men need not worry about new or heavier taxes. This lead was quickly followed by Secretary Morgenthau, who invited Congress to survey the tax laws "to see if there were any deterrents holding business men back from making future commitments." Another dove of peace, released by Mr. Roosevelt, was directed toward the trade unions in the hope of healing the breach between A. F. of L. and C. I. O.

Reinforcing these efforts toward peace and national unity, and transcending them, was Harry Hopkins's much-heralded speech at Des Moines. The new Secretary of Commerce accepted the view that lack of confidence was hindering the revival of business and made a great effort to provide reassurance. Speaking obviously for the Administration as a whole, he declared a moratorium on social reform, repeated the Secretary of the Treasury's hint of tax revision, and indicated that the government was prepared to make peace with the utilities on generous terms. He spoke kind words about "our American system of free enterprise," the preservation of which, he said, is "no longer simply the American dream; it is the American imperative." Asserting that an increase in production necessitated a substantial increase in private investment, he assured business that the Administration desired "to create an environment in which private capital will be encouraged to invest."

It would be difficult to find in this speech any evidence that Mr. Hopkins was half-hearted in his offer of cooperation with business. Yet those toward whom he has stretched his hand have not responded very graciously. At best he is being given credit for "good intentions," and this grudging admission is coupled with demands for a treaty with business on Carthaginian terms. The *Wall Street Journal,* for instance, though milder in its remarks than some papers, asks for a definition of the boundaries of future governmental power development, further revision of the capital-gains tax, modification of the Wagner Act, and early action to coordinate the railroads and simplify their financial structure.

With regard to the last of these points there is general recognition of the importance of action though much dispute about what form it should take. But the other proposals require, in effect, the surrender of integral parts of the New Deal. In other quarters even more far-reaching demands have been made, giving rise to the suspicion that business will not be content with a moratorium on reform; it will insist on reversal of much of the progress that has been made in the last six years.

This is one reason why we have doubts about the wisdom of the Administration's new approach to business. Appeasement à la Chamberlain, with every concession followed by a new demand, would be too heavy a price to pay for recovery. Mr. Hopkins in his speech stoutly defended the government's spending policy and indicated that he regarded any serious modification of it as detrimental to business itself. Apparently that is one point where Mr. Roosevelt and his colleagues will not compromise. We hope they will prove equally firm with regard to some of the basic reforms they have achieved, particularly the Wagner Act, against which a savage and senseless crusade is still being waged.

In any case appeasement ought to be two-sided. Recovery is so important, not merely for its own sake but for the maintenance of the New Deal as a whole, that sacrifices in the field of taxation or even a limitation for a definite period on new federal power projects might be justified if a large-scale expansion of private investment followed. But if business is to obtain concessions it ought to give stringent guaranties that it will make its contribu-

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tion. Let Mr. Hopkins try and strike a bargain with business on these lines, and if the latter refuses we shall know the answer to the question posed by the Washington correspondent of *Barron's* in its latest issue: "Will reluctant investors really come forward with that 'risk capital' which has become Washington's favorite phrase; or will they prefer to sit tight with the prospect that by sitting tight they may help to oust Mr. Roosevelt and all his works from power twenty-three months hence?"

The Nazis Are Here

THE mass-meeting at Madison Square Garden in New York City of the Nazi German-American Bund in "honor" of George Washington's birthday was a disgusting exhibition. But it had the merit of dramatizing, in vivid and concrete terms, the problem of fascism and its antidote.

Consider the meeting in all its implications. In the name of Americanism an organization committed to destroying every constitutional liberty holds a rally in the largest hall in the largest city of the United States. At that meeting a group of German Nazis in distinctive uniform, who have nevertheless succeeded in obtaining American citizenship, make violent attacks on the Jews and indulge in cheap sneers at the President, while 19,000 people cheer. The hall is decorated with the swastika and the Stars and Stripes; 400 storm troopers in uniform parade the aisles. Inside and outside 1,745 New York City police protect these Nazis who in the name of free speech advocate a course designed to overthrow it.

Freedom of speech is a basic right, and the police are sworn to uphold it. But the sinister aspect of the Bund affair is that the city police not only protected the Nazis in their right of free speech; they interfered with the rights of demonstrators outside and inside to voice their opposition to the Nazi doctrine. Inside the meeting the American flag waved beside the swastika; outside American flags were torn from the hands of anti-Nazi demonstrators, many of whom were badly beaten. Reliable eyewitnesses assert, moreover, that Isadore Greenbaum, the lone Jew who attempted to scale the platform in the midst of Kuhn's attack on his race, was beaten up not by the storm troopers but by the police who "rescued" him, and that the police were thereafter given an ovation at the suggestion of Adolf Hitler's agent, Fritz Kuhn. This part of the incident was not reported in the press.

We are all too familiar with the actions of the police bent on "law and order"; the alarming thing in this case is that the city administration, for all its anti-fascist convictions, gave sanction to the police in what has become their occupational antagonism to all picket lines. Newbold Morris, acting mayor, issued a statement asking the public to show their support of democratic institutions by shunning the assemblage as "one would a pestilence." A pestilence is not overcome by shunning it; the only effective popular answer to such meetings as that of the Bund is counter-demonstration. The two left groups, the Socialist Workers' Party and the Young People's Socialist League, who insisted upon exercising their right to picket, discovered that they and not the Nazis were the "enemy." They were dispersed by force—and the police forthwith became the heroes of the newspapers, of Mayor La Guardia, and unquestionably of the German-American Bund.

Aside from its strictly local implications, the Bund meeting made certain vital facts crystal clear:

It served formal notice that the Nazi gangsters are among us, complete with uniformed storm troopers and the whips of anti-Semitism. At present this anti-Semitism, which is never an end in itself, is directed toward discrediting and combating as "Jewish" the anti-Nazi policy of the national Administration.

Together with the Franco rally held the evening before at a New York armory, the Bund meeting gave further evidence that Father Coughlin, whose name was repeatedly cheered at both meetings, is our most formidable exploiter of fascist tendencies.

The most likely immediate reaction of those who believe in civil rights is to demand stringent legal restrictions on the Bund's activities. There *are* certain legal steps that can and should be taken. The wearing of uniforms by political organizations should be prohibited. Under no condition should the Nazis or any other group be allowed to usurp the functions of the police. There is no question that the privilege of forming private armies contributed greatly to the rise of fascism in Europe. Laws providing for the public recording of the sources of support and the membership of such organizations as the Bund would be useful in so far as they could be enforced. But the conduct of the police at the Madison Square Garden meeting should be enough to prove, if further proof is needed, that the strictest enforcement of any curbs on freedom of speech would be directed against the left, not the right. In general those on the left can afford to advocate only such restraints as they would be willing to have applied to their own activities.

It is a truism to say that the only effective safeguard against the threat of the Kuhns and the Coughlins lies in the establishment of genuine economic democracy. But it is none the less true. Mrs. Roosevelt, in her frank speech of February 20, said that the relief program of the Administration was only a stop-gap, that "we are buying time to think." This is profoundly true. We are involved in a race between collapse and genuine social and economic reform. The richness of America makes it capable of buying more time than was granted, for instance, to the Weimar republic. But the race is on. And the meeting of the Bund has given us a foretaste of what will happen if collapse wins.

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Latin American Trade

RECENT reports from Washington suggest that Harry Hopkins, while energetically pursuing domestic recovery is not forgetting that his department is also responsible for foreign commerce. In particular he is said to be making a close study of trade relations with Latin America and of the methods by which they could be strengthened. Certainly there is room for fresh thought on that subject, for although our exchange of goods with Latin America has expanded considerably since the depth of the depression, it is still far from the 1929 level.

At the present time there is widespread fear that instead of further expansion a contraction may be experienced in the near future owing to the trade drive being made by Germany, Italy, and Japan. As a matter of fact, the threat these countries offer has probably been exaggerated. Trade figures for the first half of 1938 showed that except in Mexico, where our exports were seriously affected by the oil dispute, we were fairly holding our own. The strongest challenge from Germany was encountered in Brazil, Chile, and Uruguay, but the German gains in those countries were more at the expense of Britain than of ourselves.

It must be admitted, however, that the current year may see a worsening of our position. Recently the Argentine government ordered a drastic reduction in imports from the United States. The official reason is that we steadily refuse to buy from the Argentine in anything like the measure in which we sell. Its best customer is Britain, which insists that money spent for Argentine wheat and meat must be employed to purchase British manufactured goods. At the same time Germany is offering huge contracts for surplus farm products on a barter basis.

Apart from these considerations the Argentine is moved by not unjustifiable resentments against us. The United States Senate has so far refused to ratify a Sanitary Convention which lifts the embargo on imports of Argentine beef imposed by the Hawley-Smoot Tariff Act. The excuse for this embargo was the prevalence of foot-and-mouth disease in the Argentine. The real reason for its continuance, now that Patagonia, the chief ranching province, is free of the plague, is the desire of meat producers here to preserve their monopoly.

Another legitimate Argentine grievance is our competitive dumping of wheat. It was even proposed last fall that we should send subsidized cargoes to Brazil, which the Argentine has long supplied with wheat. This scheme was withdrawn, but recently suggestions have been made for its revival as a deliberate act of retaliation against the Argentine. We cannot believe that the Administration will for one moment countenance any such proposal. We should be planning not competition for present restricted markets but cooperation with the Latin American states in the creation of new markets.

In his third article on America in the post-Munich World, which appears on page 260, Eliot Janeway outlines a plan along these lines for the development of our economic relations with Latin America. Moved by the threat which recent events in the Mediterranean and the Far East offer to our supplies of tin and rubber, he proposes that we should organize the production of these commodities in the southern half of our hemisphere. By so doing we would safeguard ourselves in time of war against a scarcity of vital raw materials and by providing a basis for a higher standard of living in Latin America make possible a permanent expansion of trade.

In his analysis of the present position of Latin America Mr. Janeway seems to us to indulge in generalizations not fully justified by the facts. For instance, to say of South America's trade that "there are not even any sales to speak of" seems unduly sweeping. Seriously affected as exports have been by world depression, they still play a substantial part in the economy of the continent, and we imagine our southern neighbors will scrutinize very carefully any scheme which purports to offer something better than their present business with Europe.

Nor are we convinced that Mr. Janeway has visualized all the difficulties involved in his proposal. He suggests that eventually we shall provide a stable market for all the tin and rubber Latin America can produce, but he does not say how competition with East Indian supplies is to be avoided. This point is hardly met by his prophecy that, if war is avoided, Asia will absorb its own raw materials. Even now there is serious overproduction of both rubber and tin in Malaysia, and loss of the American market would be resisted desperately.

Again we think Mr. Janeway has underestimated the time required to develop tin and rubber industries commensurate with our requirements. Five years seems a very optimistic estimate. Rubber trees must be at least five years old before they can be tapped, and both quality and quantity are greatly improved if they are allowed to mature several years longer.

But although his plan seems to us in need of considerable revision, we think Mr. Janeway is on the right track. Certainly Latin America combines enormous potential wealth with miserable poverty. Its resources make it largely complementary to our own country, but they cannot be developed without large-scale capital expenditure. We are the logical source for such capital, and it ought to be possible to negotiate mutually advantageous terms for its supply. But it will be necessary for us to abandon the methods of exploitation we have hitherto pursued. In the long run we shall benefit more by allowing the major part of the wealth our capital can create in South America to remain there, fertilizing its economy, than by insisting on sucking out the last possible ounce of profit.

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Insurance Octopus

BY RICHARD LEE STROUT

Washington, February 24

THE Securities and Exchange Commission is making the first thoroughgoing inquiry into life insurance since Charles Evans Hughes and the Armstrong committee explored the field in 1906, with sensational results. The present investigation will last a year, off and on, if funds are available, and the first phase, just completed, deals with the heart of the problem—gigantism. The growth of the life-insurance companies is unprecedented. They are coming to dominate the investment field. Their fluid assets are fabulous. They are ruled by self-perpetuating groups, although theoretically and legally they are controlled by the policy-holders. By a system of interlocking directorates their officers are in a position to pull the financial strings of the nation. These are the outstanding facts produced by the inquiry so far; at all times in the proceedings the question has been implicit: Is it safe in a democracy to put such vast power in the hands of any group?

Life insurance is now America's favorite form of saving. Today 64,000,000 policy-holders are insured to the sum of $110 billion. Since 1890 insurance in force has increased 2,500 per cent, in contrast to a 100 per cent gain in population. In 1937, 7.5 per cent of our total national income went to the life-insurance companies.

In 1906 the Armstrong committee was worried by the growth of companies whose assets then were $3 billion. Today the figure is $27.6 billion. This sum, incidentally, is 70 per cent as big as the national debt. The Armstrong committee thought the big companies were too big even in 1906. "The business of the Mutual, the Equitable, and the New York Life has grown beyond reasonable limits," it said; and it added, "No useful purpose will be served by their becoming larger." One of those companies then had almost half a billion dollars in assets. Today each of them has at least $1 billion, while the New York Life has $2.5 billion, and a fourth company, the Metropolitan, has $5 billion.

A unique feature of life insurance is the irresistible tendency of the companies to grow. There seems to be no factor limiting the rolling snowball. This tendency to bigness disturbs William O. Douglas, chairman of the SEC, just as it disturbed Justice Brandeis, whom Mr. Douglas may succeed on the Supreme Court.

Premium income is nearly always bigger than expenditures; this adds to assets which must be invested. Investments, at the same time, earn dividends, which in turn must be reinvested. It is like the irresistible expansion of funds left at interest. Growth would be checked if policy-holders withdrew policies, but experience shows that they will sacrifice every other saving before this. Today the Metropolitan Life is so big that it must invest or reinvest $2 million a day, including Sundays, and Frederick H. Ecker, chairman of the board, sees no ceiling to its growth. At the end of 1938 forty-nine large companies owned 11 per cent of the direct and guaranteed debt of the federal government; 9.9 per cent of all state, county, municipal, and subdivisional debt; 22.9 per cent of all railroad bonds; 22 per cent of the public-utility debt; 15 per cent of the industrial debt; 11 per cent of total farm mortgages; 14 per cent of all city mortgages.

Meanwhile, concentration at the top goes steadily on. It is revealed by the position of the five largest companies in relation to the total of 308 legal-reserve companies, as shown in the following table:

	Assets in billions	*Percentage of all assets*
Metropolitan	$5.0	18.0
Prudential	3.5	13.7
New York Life	2.5	9.6
Equitable	2.1	8.0
Mutual (New York)	1.3	5.1

These five companies, plus the eleven next largest, control more than 80 per cent of all life-insurance assets. This control is concentrated in the New York-New England area.

Many economists attack the American Telegraph and Telephone Company, the Ford Motor Company, and United States Steel for their sheer size. But the assets of these companies are tied up largely in plant and inventory. The insurance companies are just as big, and their assets are free, flexible, and liquid. Today about half of these assets are in cash or marketable securities. This means that the companies have a vastly greater potential financial influence. Life-insurance money comes close to being the fulcrum of economic power in the country today. It is the key to railroad reorganization, to the utilities' cooperation with the government, to the action of the capital markets. This reservoir of power does not necessarily act as a unit, but it is certainly controlled by men of like interests and like outlook.

Life-insurance money is tending to transform the capital markets. Consider one fact: in 1937 the ten largest companies acquired about 62 per cent of *all* corporate bonds and notes publicly issued; in 1938 about 55 per cent. The companies are in a strategic position and are

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swallowing whole issues at a gulp on a private basis, without letting them get into the open market. Last year 37 per cent of the dollar value of all new issues was purchased privately.

Back in 1906 a man with rust-colored whiskers named Charles Evans Hughes, who was regarded as a radical by his enemies, revealed that policy-holders do not really control the mutual life-insurance companies, as they are supposed to do. A third of a century later the monopoly inquiry discovers that mutuality is still a myth. The idea that policy-holders "elect" directors is a legal fantasy. How could the 29,000,000 policy-holders of the Metropolitan actually vote? It would be comparable to the Roosevelt-Landon contest. Actually, evidence shows, the election is a perfunctory rite, so meaningless that certain agents of the Metropolitan who were delegated to get policy-holders to sign ballots took the matter as a joke and signed the policy-holders' names themselves. The directors of the big companies are really picked by the executive officials or by other directors. The men at the top who pull the strings for $27.6 billion of assets perpetuate themselves.

Drawing by Schreiber

William O. Douglas

Cletis E. Tully, an assistant director of the Metropolitan, got a postcard from somebody named C. L. Fontaine in Kansas City, Missouri, in 1936, asking a few simple questions about the directors' election. Mr. Tully was so surprised at a policy-holder's interest that he asked a local manager to investigate Mr. Fontaine.

Some of the directors are just window dressing. For example, Charles M. Schwab came to only three out of a possible eighty-three meetings of Metropolitan directors between 1923 and 1938, inclusive. Alanson B. Houghton, ambassador to Germany and England, came to two meetings between 1921 and 1928. John W. Davis, elected in 1926, attended only eight meetings before resigning in 1931. Oddest of all was the record of former Premier Taschereau of Quebec, whose name as a director looked good to Canadian policy-holders but who did not attend one board meeting in sixteen years.

Directors are not paid cash for services, but they do not stand to lose by the arrangement. This has been illuminatingly illustrated at the hearing. Here are a few instances:

Mitchell D. Follansbee, a director of the Metropolitan and a former head of the Chicago Bar Association, solicited Metropolitan officials for a part of their Chicago foreclosure business after the 1929 slump. As a result, his law firm got business which brought in $334,000 in legal fees.

Alfred E. Smith, former governor of New York, was chairman of the board of the Meenan Oil Company of New York and a director of the New York Life. As a result of his solicitation, the Meenan Company, selling fuel oil, got favorable treatment from buildings owned and managed by the insurance company.

General James G. Harbord became a director of the New York Life in 1931. The Bankers Trust Company, of which he was also a director, obtained large deposits of the insurance company's funds next year.

Charles D. Hilles, former Republican National Committeeman, was a director of the New York Life and the resident agent for the Employers' Liability Assurance Company. The latter got all of the New York Life's liability insurance.

James M. Beck, a trustee of the Mutual Life, wrote gratefully to David Franklin Houston, president of the company, thanking him for sending some of the company's business to a brother-in-law at his request.

To give a more comprehensive example—half of the banks which in 1937 had deposits of New York Life's assets to the amount of $1,000,000 or more were found to be tied in with the company by common directors.

Wilfred Kurth, chairman of the board of the Home Insurance Company of New York, told the committee frankly how he "used" the paid directors of his fire-insurance company. For instance, one director was Robert Roulette. As Mr. Kurth succinctly put it, "He is an alumnus of Columbia University, and we found that the insurance on Columbia University was in British companies; that will be changed." Director Roulette, Mr. Kurth testified, also got the insurance business of the Central Aguirre Associates, a Puerto Rican sugar concern of which he was a director, away from the rival Cord-Meyer Company.

Directors of mutual life-insurance companies, unlike Mr. Roulette, are not paid. But the testimony shows that they receive advantages surpassing any mere salary. It is like belonging to the right club. Directors do favors and get favors in return. Except that it is more lucrative, the picture is amazingly like the operations of patronage-swapping Congressmen. Congressional patronage has been investigated on many occasions. It seems high time for more light to be thrown on this Wall Street system of patronage barter.

The present board of directors of the Metropolitan Life has affiliations with nineteen industrial companies, eighteen public utilities, fourteen banks and trust companies, fifteen other insurance companies, eight real-estate companies, ten railroads, one steamship company. The evidence shows the "enormous centralized power," as

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Thurman Arnold of the investigating committee characterized it, resulting from such interlocking directorates and increased by the unwritten alliance between insurance companies, industry, and banks. It reveals the pathological gigantism of the new insurance empire, its growing power, the myth of mutuality, and the common interests of the men at the top, who perpetuate their control over $27 billion.

What Next in Mexico?

BY HARRY BLOCK

Mexico City, February 23

LIKE the United States, Mexico faces the problem of extending its New Deal beyond 1940. In July of that year elections will be held to choose the President to succeed Cárdenas. The future of the progressive achievements of the present administration depends on the outcome of that election and on whether or not the transfer of power can be peacefully effected.

Opponents of the Cárdenas regime and of the government party are echoing the anti-Mexican propaganda of the United States. Realizing, moreover, that defeat of the American New Deal in 1940 will mean the end of its Mexican counterpart as well, the opposition papers are unanimously anti-Roosevelt and customarily refer to him with a barrage of epithets that rival the efforts of the Italian and German press. In emulation of the Franco they so fervently admire, Mexico's fascists are preparing to save the country from the reds, with the aid of foreign capital, the Gestapo, and the American Republican Party.

The Party of the Mexican Revolution, or P. R. M., against which most of the reactionary shafts are directed, came into existence to replace the moribund National Revolutionary Party, or P. N. R. The latter was a creation of ex-President Calles, the means by which he consolidated his personal domination of Mexico. With the political demise of its creator, the P. N. R. was bound sooner or later to be liquidated. Cárdenas gave the signal early in 1938, but the outlines of the new party had already been sketched in by the propaganda of the C. T. M. (Confederation of Mexican Workers) for a People's Front. The P. R. M. was born last April at a convention in which the workers, the army, the peasants, and the so-called "popular sector" were participants, and all these groups were given representation on the executive committee of the new political organism. Included in the "popular" group were a sprinkling of students, some middle-class organizations, the government bureaucracy, and the professional politicians; these last, through long years of expert manipulation of the peasant communities for their own ends, were able to become the chief spokesmen of the rural masses in the new set-up.

Naturally, this incomplete reorganization of the official party did not overnight transform it into a perfect expression of Mexican democracy; the P. R. M. has, in fact, exhibited a number of the defects of its predecessor. Many of the former ornaments of the P. N. R. blithely accepted the new party's declaration of principles—which called for a struggle against fascism and completion of the Mexican Revolution, as well as for the ultimate ideal of a "workers' democracy"—under the impression that the new phraseology would turn out to be just as effective a smoke screen for their own venalities as the shameless demagogy of Calles's P. N. R. They reckoned, however, without the action of the labor movement within the party. To the extent that the P. R. M. has since approached a real, rather than a wholly fictitious, organization of Mexico's working masses, the workers, and to some degree the peasants, have been able to inject into it some democratic bacteria; and as the party has begun to feel the ferment of this unaccustomed element in its blood stream, some of its eternal opportunists have decided the time has come to peddle their demagogic gifts in another market.

Ramón F. Iturbe, an exiled "general" who had returned to Mexico and wormed his way into Congress through the leniency of the Cárdenas government, was the herald of the new tendency. Cashiered from the army for his participation in the Escobar revolt of 1929, Iturbe is a former Gold Shirt and an avowed admirer of General Franco. With Colonel Bolívar Sierra, who was expelled from the army during the De la Huerta rebellion in 1923 and who, through the inscrutable ways of God and local politics in Mexico's rural wastes, is likewise a Congressman, Iturbe formed a "Mexican Constitutional Democratic Front" to defend the "true principles" of the revolution, the constitution of 1917, and the bleeding body of democracy against Lombardo Toledano, the Cárdenas administration, the P. R. M., and all the other alleged recipients of Moscow's inexhaustible gold supply.

Iturbe and Sierra have since become the darlings of the fascist press, and the response to their agitation indicates the coming strategy of the reaction in the presidential campaign. It is obviously impossible to make headway against the P. R. M. coalition with a frontal assault on the Mexican Revolution. The goal is therefore to split the party forces by a call for a return to the "old-time

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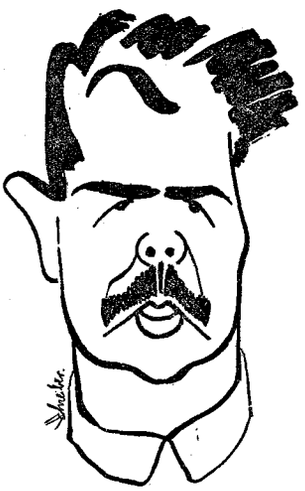
religion" of pre-Cárdenas days. Through a unification of the "fundamentalists"—that is, all the discredited and superseded ex-revolutionaries of former regimes who have since sold out to the enemy—it is hoped to form a column strong enough to attack the P. R. M. on the flank by raising the red scare. Back to 1917, runs the slogan, and down with the modern perversion of our "unique" revolution to the sinister purposes of the Stalinists!



President Cárdenas

Among all the new parties which have recently come into paper existence and are now in process of amalgamation into a single reactionary front, the Iturbe-Sierra group and two others—the Revolutionary Anti-Communist Party and the Party of National Reconstruction—pursue this strategy most vigorously. The Revolutionary Anti-Communist Party is simply the Calles gang under a new name; its present head is General Manuel Pérez Treviño, former boss of the P. N. R. who lost the presidential nomination to Cárdenas in 1933 and is thirsting for a comeback. The Party of National Reconstruction is an assortment of tired revolutionaries, embittered politicians, expropriated landowners, fascist propagandists, oil-company attorneys, and plain highwaymen—a collection so fantastic that it brings into the same bed Antonio Díaz Soto y Gama, once the prophet of Zapata agrarianism, and General Pablo González, Zapata's murderer.

Known to be in sympathy with these worthies, although he has thus far avoided public commitment, is ex-President Abelardo Rodríguez, a Calles henchman who is reputedly one of the wealthiest men in Mexico. Two other potential standard-bearers in the coming "nationalist" crusade are Calles's former Minister of War, one-eyed General Joaquín Amaro, and General Juan Andreu Almazán, commander of the zone which includes the strategically and industrially important states of Nuevo León and Tamaulipas on the Mexican border.

Within the P. R. M. itself three administration generals are seeking the nomination, and in order to hazard a guess as to which of them is likely to head the party campaign, it is necessary to understand what specific qualities are needed in the next President of Mexico. He must, of course, be a military man in whom the army has confidence. Under existing conditions there is no other possible way of maintaining the decisive alliance between the army and the labor movement. The revolutionary army has ruled Mexico since 1914, but it can no longer rule without the support of the workers, who are obviously unprepared for more than a coalition with the army and the peasants. The labor movement, conscious of its subordinate position in the partnership but also of its indispensability, is willing to cooperate only if the army's candidate is acceptable to it. Realizing that Cárdenas will be an extremely difficult figure to replace, the C. T. M. and the most influential groups within the P. R. M. are insisting that the personality of the next President is of less importance than the program to which he is pledged. They hope to draft and submit to the party nominating convention a minimum program of government for the next presidential term; the candidate they want is an administrator capable of fulfilling it. According to this view, Mexico does not need another "radical" President. It is more important to elect an executive who will consolidate the gains of the Cárdenas government, even though no startling new departures are undertaken. The feeling is pretty general that the country has bitten off quite as much as it can chew for some time to come. Labor is thus prepared for a "pause" as long as it does not take the form of a retreat.

General Francisco J. Mugica is a sincere if rather confused revolutionary. He is said, however, to be an indifferent executive, and he has been so long separated from active army service that he is little known to the army of today. So far his candidacy seems to be backed principally by personal sympathizers, and unless it can obtain the support of important mass organizations, it is not likely to prosper.

General Rafael Sánchez Tapia, late commander of the Federal District military zone, is a typical politico-militarist. Considered a right-winger within the P. R. M., he would be tolerable as a choice of evils to the business and landowning classes and acceptable to many of the machine politicians, who would expect to make hay under his government. But if he has labor or peasant backing it is so far not visible, and his nomination would probably split the P. R. M. wide open.

The third of the party entries, General Manuel Avila Camacho, was until recently Secretary of National Defense. In his early forties, he is a product of the "new" army and is known as an able administrator who has taken little active part in national politics. Unidentified with the factions of the past, he is largely unaffected by their mutual jealousies. He is reported to be popular with the officers and men of the army, and his unpolitical past, combined with a cautious dodging of the bitter polemics of recent months, is a present advantage, as it has given him a name for "moderation" that may be expected to neutralize some of the conservative opposition. By a simple process of elimination among the candidates currently available, he appears almost certain to win the formal indorsement of both the C. T. M. and the National Peasant Confederation when they hold their

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conventions this month. Whichever of the three candidates is finally selected by the party, the most serious immediate problem will be to hold the disappointed partisans of the losers in line; a rebellion against P. R. M. authority might give the "independent" right coalition its long-awaited opportunity.

The fall of Barcelona has encouraged the fascist bands to an increasingly vociferous activity. They won a victory the other day when the government canceled the permission to reside in Mexico previously given to members of the International Brigade; President Cárdenas has denied that this action was the result of protests from the press and the fascist organizations, but the coincidence of the two events unquestionably left that impression. On the other hand, the incipient anti-Semitic riots of three weeks ago have been scotched, after some incredible bungling by the chief of police, and are not likely to be soon repeated. The work of a handful of hoodlums hired by the Iturbe crowd, they were unimportant in themselves but symptomatic of the increasing boldness of the fascists.

The immediate political future of Mexico depends to a considerable degree on the country's international position. And here the question of oil is decisive. Mexico has been far from happy over its enforced reliance on barter deals with Germany. The goods received in exchange are often inferior to American merchandise, and the additional trade difficulties have not made the situation more popular. But unless the dispute with the oil companies can soon be settled, Mexico will have to continue with the German deals and perhaps enter into long-term contracts that will shut off a good deal of American trade. Such increasing economic dependence on the Reich will bring in its train a certain amount of political influence as well, which explains why the "patriotic" Mexican press applauds the German barter arrangements and remains skeptical about a settlement with the United States.

An immense amount of nonsense has been written and broadcast about the relations with Germany. To judge from the alarmist accounts emanating mainly from oil-company sources, one would think that no American goods were penetrating a hermetically sealed frontier and that the oil companies themselves had never sold Mexican oil to the fascist countries. The truth is that German dumping in the Mexican market dates from several years prior to the oil expropriation: from a bare 9 per cent share in the value of Mexico's imports before 1932, Germany rapidly acquired a rising proportion that reached 16 per cent in 1937 and 19 per cent last year. The oil barter deals have simply aggravated an existing condition without being responsible for it.

The increasing prominence of Germany in the Mexican market is a development welcomed by no one here but the fascist apologists, but there is no denying the fact that German goods are less prohibitively priced for at least 90 per cent of the population than American merchandise, particularly with the present exchange ratio of five pesos to the dollar. To argue from this, however, that Mexico is "going Nazi" is sheer dishonesty. The exact relative positions of the four principal countries in Mexico's import trade can be seen in the following table, covering a ten-year period:

	UNITED STATES		GREAT BRITAIN		GERMANY		FRANCE	
	value in pesos 000	per cent of total	value in pesos 000	per cent of total	value in pesos 000	per cent of total	value in pesos 000	per cent of total
1928-31*....	223,000	68.2	22,000	6.7	29,000	8.9	17,000	5.2
1932-36*....	201,000	61.7	24,000	7.4	41,000	12.6	15,000	4.6
1937.....	381,000	62.1	29,000	4.7	99,000	16.1	20,000	3.3
1938.....	282,000	57.6	21,000	4.3	94,000	19.2	19,000	3.9

* Average.

It is clear that in spite of American losses from German encroachments the United States is managing to hold its dominant position pretty well. Moreover, the barter in petroleum had less to do with the German increase, even in 1938, than is commonly supposed. From April 20 to December 31 of last year Mexico exported a total of $2,500,000 worth of crude oil and derivatives. Not all of this went to Germany of course, but even assuming that German purchases were paid for chiefly in goods rather than cash, this would still leave some 70,000,000 pesos in "legitimate" imports that cannot be attributed to the oil situation.

Nevertheless, the political consequences of the prolonged oil controversy for Mexico's highly explosive internal situation are extremely serious. The longer a solution is postponed, the more dubious the future of Mexican democracy becomes. Theoretically, there are two ways in which the problem can be solved: one is the return of the oil properties to their former owners; the other is an agreement on the terms of compensation.

Return of the oil wells and refineries is a political impossibility. It could be achieved only by a reactionary —and almost certainly armed—movement to overturn the Cárdenas government. Such a repetition of the Spanish tragedy on American soil would seem a disproportionately high price to pay for the recovery of Standard Oil and Sinclair properties, for the loss of which those companies can blame only their own pig-headedness. Fortunately, there are indications that progress is being made toward a settlement. Mexico is reported to have made an offer acceptable at least as a basis of discussion, and the impending visit of Messrs. Richberg and Hurley representing the American oil interests is a concession to the Mexican contention that direct negotiations between the oil companies and the Mexican government are prerequisite to an understanding.

If the present boycott and deadlock are allowed to drag on indefinitely, Mexico will be obliged to rely increasingly on sales to the fascist countries, which will strengthen all the forces within the country seeking to undermine its developing democracy. The United States has it within its power to reverse that trend.

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America in the Post-Munich World

BY ELIOT JANEWAY

III. Alternative to War

AMERICAN independence has suffered two body blows in the last six months: first, the taking of Canton by the Japanese and, second, the Franco successes in Spain. In the Far East Japan now dominates the one region outside our continental territory upon which we depend for essential raw materials. Germany and Italy, intrenched in Spain, now stand athwart the sea lane through the Mediterranean that brings us these products of the Orient. Without the rubber and tin that come from southeastern Asia, Detroit and Akron, Cleveland and Pittsburgh would be paralyzed. We have, then, a very real interest in Europe—but our frontier does not lie along the Rhine or "somewhere in France," as President Roosevelt was charged with having said. It lies at that point in the Mediterranean where it would be easiest for Franco's backers to intercept our supplies.

Strictly speaking, we have not lost our independence by the successful aggression of the Rome-Berlin-Tokyo axis; we have merely transferred our dependence. In the past our supply of rubber and tin has depended on the good-will of Britain. But the British bases which command the beginning and end of the sea route from Malaysia through the Mediterranean have already been undermined. Now with the Japanese in Canton and Hainan, Hongkong's strategic worth is at an end and Singapore's counterbalanced; while Gibraltar—that symbol of strength and permanence—is today commanded by German guns. It is beside the point for Americans to complain that the British Empire is ruining itself by its policy of appeasement. It is far more urgent for this country to realize that, over and above the cost of appeasement to the British and French, this fatal policy has at last exposed us to axis aggression. Without a battle, simply by enforcing the embargo against Loyalist Spain in collaboration with London, we have lost the only thing in Europe that was really worth our fighting for—the freedom of the Mediterranean. What can we do to help ourselves out of our predicament?

First, and relatively a minor step, we can bring the rubber and tin that we get from the English and Dutch Indies across the Pacific instead of through the Mediterranean. In the case of rubber, no great changes will have to be made in our import habits; Akron can pay freight charges from Los Angeles instead of from New York. But the case of tin is more serious. We do not import raw tin ore direct from the Far East. We import pig tin which has already been processed in English and Dutch smelters. We shall have to build up in this country a tin-smelting industry to break the monopoly of the British and the Dutch. But the source of our rubber and tin supplies will remain exposed to Japanese threats.

Japan took Canton when Europe was preoccupied at Munich. It took Hainan during the abortive winter crisis, as Franco's Catalonian drive dominated the headlines. With France involved in a new Mediterranean crisis, the fear is growing that Japan will seize the opportunity to move against the Dutch Indies. With such a move the security of the United States would end. To defend our interests in Malaysia we are undertaking an expensive and long-drawn-out program of navy building; we shall fortify Guam and attempt to hold the vulnerable Philippines. And make no mistake about it, so long as our basic industries are dependent upon rubber and tin from Malaysia we shall have to fight to insure our supply.

We should therefore undertake another type of defense, one which does not require us to match oversea fortifications, battleships, and airplane carriers with Japan. We should devote our energy and resources to developing rubber and tin supplies in Latin America. It is a long-term solution—admittedly. But it is a solution that will do more than make us strong enough to fight with a reasonable chance of victory; it may well make the fight itself unnecessary. In any case, it is the first thing that would have to be done at the outbreak of war. It should be done now, efficiently.

Rubber, it will be remembered, was first discovered in Latin America. The Asiatic industry was created by English and Dutch planters who smuggled seeds of the hevea tree out of Brazil. There is no doubt that rubber can be successfully grown in its native habitat; indeed it is still being shipped in small quantities from Para. Bolivia has large deposits of tin with which to supply an American tin-smelting industry. The ore is of much lower grade than that of Malaysia, but recent experiments have proved it perfectly adequate if properly processed. Physically, then, it is possible for us to develop within our own sea lanes the two chief products that would be threatened by the hostility of the axis. There are also in Latin America supplies of minor strategic metals which we lack, such as manganese, tungsten, and antimony. Other imports from Asia are likely to be replaced by substitutes developed here. Silk itself will be challenged by the new yarns developed by du Pont and Celanese. As laboratory work continues, we can perhaps supplement natural rubber

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supplies by synthetic processes. The development of Latin America as a base for raw materials will of course take years, but during the waiting period we would presumably build up a three-year stockpile from the East Indies. This would enable us to keep our superior bargaining power while we switched over to a new base.

The development of such raw-material production would be enormously helpful to Latin America itself. The southern continent has always been a base of supplies rather than a self-sufficient economy, and the general decline in its exports has left it with mounting surpluses. It was originally settled and cultivated as a base for Europe. But Europe is no longer importing on its former scale. We have seen what the drop in its imports of cotton, wheat, and meat has done to the North American farmer. South America's wheat-raising countries, which likewise produce cotton, meat, coffee, and wool, have suffered from shrinking markets. With their surpluses has come a mountain of unpaid debt, and, with the debt, a growing dislike of the United States and England, the major creditors. There has also come a determination to reclaim from the Americans and the British the natural resources of the continent. What has happened in Mexico is a clear example of what threatens foreign capital all over Latin America. When Mexico, bankrupt and desperate, expropriated the oil companies, we followed England's lead. We boycotted Mexico, forcing it to barter its oil to the axis partners. We shall have only ourselves—and our British-made policy—to blame if fascist influence grows in Mexico.

If we are to stop penetration by the axis in Latin America we must do more than hold conferences and try to persuade the republics to adopt resolutions against fascism. Latin America is not stretching out its arms and begging us to save it from fascism by compounding verbal formulas. Neither, on the other hand, is it anxious to fall into the fascist net. It is trying to gain independence from foreign exploitation—and right now it sees that exploitation as being chiefly American and British. Not only do we have a shameful record of "dollar diplomacy" to live down in our relations with Latin America, but our present attitude is hardly one to encourage the trust of the republics. We frown upon Latin American barter deals with the axis, and upon debt repudiation. We sanctimoniously insist that the continent buy and sell for cash, and pay its debts to us out of the profit. But far from there being any profit, there are not even any sales to speak of. To whom can the Latin American countries sell? Certainly not to one another and certainly not to us; we have surpluses of many of the same commodities. The only customer left for South America is England, and England is no longer buying in volume sufficient to support the continent. Latin America has no alternative but to barter as much of its surpluses as it can with the countries that will take them, and these countries happen to be Germany, Italy, and Japan.

But there is one difficulty with this trade from the standpoint of the Latin American countries. The axis powers are too busy rearming to be able to give the continent more than part of the machinery it needs. Germany, facing a shortage of railroad equipment, cannot sell rolling stock to Brazil; Argentina cannot buy grain elevators or meat-processing plants in Europe. This is why we need not really fear that the axis will "take over" Latin America, especially if we act intelligently to give Latin America the alternative it wants. Trade with fascism is unlikely to prove satisfactory for long, if the experience of the Balkan states is repeated. The United States has the power to put something much more satisfactory in its place. We can make it possible for Latin America to buy—and to own—the industrial machinery it must have if it is ever to become independent of the shriveled European market.

We can help Latin America to develop new products for which we will guarantee a market. We buy now annually about $750,000,000 worth of rubber and other strategic materials from Asia. We would buy at least that much from Latin America if its productive capacities were developed; and in recovery years we would naturally buy more. With this market assured in advance, Washington would be justified in underwriting Latin American efforts to develop these new materials—plantations, mines, new railroad and shipping lines, and processing plants, all of which would be sure of plenty of work and regular sales. This condition would be a welcome relief from the feast-and-famine fluctuation of the unregulated commodity markets which has cleaned out one farming country after another. There is little need to fear competition between such Latin American products and those of southeastern Asia. If Asia eventually settles down to peace, its own industry will within a decade absorb a good deal of its raw-material production. Meanwhile, the prospect is war and blockade, and we must in self-defense encourage the production of these materials in Latin America.

Only nominal interest need be paid; for such advances by us would partially insure us against war and would make certain armament expenditures unnecessary. Repayment could start on an amortized basis as soon as the machinery we exported began to produce the materials we require: we could be repaid for our machinery not in cash, which Latin America does not have and which we do not want, but in the raw materials thus developed.

Provided with such new sources of income, the Latin American countries could do many things. Most important, they could buy machinery here in order to get industrialization started. With any measure of industrialization would come a rising standard of living, and so the beginnings of a market at home, among the natives who

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have been too poor in the past to provide any market at all. Latin America's salvation, like ours, lies in developing its own resources.

If government credit were granted to so poor a country as Bolivia to rehabilitate its neglected tin mines, or to Brazil to develop rubber plantations and to tap the rich ores which now lie inaccessible in its mountains, purchasing power would rise swiftly from its present level of statistical zero—long before such developments would begin to pay for themselves in the specific products cultivated. For the first time it would be possible for Bolivia to absorb grains and meat in some quantity from Latin American farming countries like Argentina and Uruguay.

To facilitate such exchange a hemispheric All-American Clearing House could be set up to handle multilateral trade. Through such a device, for instance, Argentina could for the first time find outlets for its surpluses within Latin America. The credits built up in its favor at the clearing house could be presented in New York to purchase machinery. In return for the means of industrialization sold to Argentina, the American claim on the clearing house could be paid off by receipts of Bolivian ore, Brazilian rubber, and similar materials. In this way a basic export revenue accruing to Latin America of at least $700,000,000 a year could be made to support inter-Latin American trade of much more than this sum. In fact, it might even be that exports of capital goods for industrialization could attain a volume sufficient to serve as an important influence upon our own economy.

To provide Latin America with the equipment needed for the production of these commodities, we should have to advance between $10 and $20 billion over a period of, say, five years. Even within this period repayment would begin as we began to receive needed imports. In five years these new imports should have passed the half-billion-dollar mark, and as rubber plantations began to produce, should approach $700,000,000. On this basis our investment would be secure, while the producing countries—owning the new mines, railroads, and so on—would be able to devote the balance of their productive capacity to developing the Latin American economy. Not only would such a program enable us to avoid the perpetual danger of war—by enabling us to retreat from our exposed position in southeastern Asia to this new supply base—but it would transform Latin America from a poverty-stricken continent to an industrialized community able to stand on its own feet. It would transform our relations with South America. So long as we remain exposed to the charge of "Yankee imperialism" we may expect to be blackmailed, to accomplish nothing by our subventions to native dictatorships, and to end by seeing North American properties expropriated in one country after another while German agitators whip up feeling against the "Jewish capitalists" from New York.

The policy into which we have permitted ourselves to drift commits us to paying hush money to every two-by-four dictator who waves the "fascist menace" under our nose—in Haiti, Cuba, Santo Domingo, Brazil, and doubtless elsewhere. We are definitely in the market to buy off any country threatening to trade with the axis on a fairly intimate basis—though of course our own munitions trade continues. Moreover, when the debt-and-surplus burden grows too heavy, we can offer the republics no alternative to expropriating our interests; while at the same time we refuse openly or even tacitly to condone such expropriations. Thus Cuba, having duly blackmailed and received its bribe, is about to make a three-way deal with Mexico and Germany. In spite of our unsatisfactory Mexican experience, Washington is helplessly watching the growth of new expropriation moves against mining companies in Chile and oil companies in Venezuela.

The final aspect of our Latin American policy is the most reprehensible. We compete with the crop-growing countries for shrunken export markets which are no longer large enough to support either our agriculture or theirs. Our flirtation last year with the idea of dumping our surplus crops competitively with theirs, in Europe and finally and most inexcusably in Latin America itself, did more to create the hostile attitude shown by Argentina at Lima than anything we have done since the heyday of Yankee imperialism. Here was the Colossus of the North, an economy operating on a scale of tens of billions of dollars, on the one hand mouthing platitudes about protecting its smaller, poorer neighbors and on the other trying to steal their very means of livelihood. These countries, we say, must rely upon us for protection. These same countries, pending the opening of a domestic market in Latin America through industrialization, must export crops to live. Yet last autumn we tried to dump a measly 25,000,000 bushels of wheat in a market that had always belonged to Argentina.

The result has been Argentina's declaration of economic war upon us. We do not buy from it and so it will not buy from us. Since Argentina is by far the greatest single power in Latin America it is inevitable that as it turns away from the "democracies" it will take with it a group of dissidents. Thus Latin America may well be split into two groups—one in our orbit, one under the influence of the axis. Meanwhile, abundant deposits of the tin and tungsten we need for self-defense have just been found in Argentina, giving it for the first time something to sell to us instead of against us. But the economic war we have precipitated in this hemisphere is rapidly closing to us the avenues of escape from that naval war in southeastern Asia which without a united and friendly Latin America we shall some day have to face.

[*The first two articles of Mr. Janeway's series were printed in* The Nation *for January 28 and February 4. The fourth will appear in an early issue.*]

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France Is the Enemy

From the Unexpurgated "Mein Kampf" of Adolf Hitler

[Through the courtesy of Reynall and Hitchcock we are enabled to print below a few of the more significant passages from the unexpurgated translation of "Mein Kampf" just issued by that firm. In view of the remarkable degree to which the plans embodied in that volume have been carried out so far, these excerpts throw light on Germany's real intentions toward France, despite recent protestations of friendship—especially when Hitler's step-by-step technique, discussed in the last paragraph, is borne in mind. We believe that these passages will also serve to reveal the eerie, pathological quality of the mind that rules Germany—a mind which sees a tiny, divided, and completely defenseless race as holding dominion over a "world empire of Jewish satrapies." The italics are all Hitler's.—EDITORS THE NATION.]

GERMANY'S TWO ALLIES

IN ENGLAND as well as in Italy the disparity between the conceptions of the better native statecraft and the will of world stock-exchange Jewry is clear; indeed, sometimes it hits one in the eye.

Only in France is there today more than even an inner *unanimity* between the *plans of the Jew-controlled stock exchange* and the desires of a *chauvinistically oriented national statecraft.* In this very *identity* lies an immense danger for Germany. Exactly for this reason France is, and remains, by far the most terrible enemy. *This people, which is constantly becoming more Negrofied, constitutes by its tie with the aims of Jewish world dominion a grim danger for the existence of the European white race.* For infection in the heart of Europe through Negro blood on the Rhine corresponds equally to the sadistic, perverse vengefulness of this chauvinistic, hereditary enemy of our people, and to the ice-cold plan of the Jews thus to begin bastardizing the European continent at its core and, through infection by inferior humanity, to deprive the white race of the foundations for a sovereign existence.

What France, spurred by its own vengefulness, methodically led by the Jews, is doing in Europe today, is a sin against the existence of white humanity, and some day will inspire against that nation all the avenging spirits of a knowledge which will have recognized race pollution as the original sin against mankind.

For Germany, however, the French danger means an obligation to subordinate all considerations of sentiment, and to reach out the hand to those who, threatened as much as we are, will not tolerate and bear France's drive toward dominion.

In Europe there can be for Germany in the predictable future only two allies: England and Italy.

AMERICA, JAPAN, AND THE JEWS

Is it conceivable that the representatives of the real interests of the nations which might enter an alliance could realize their plans against the will of the Jewish mortal enemy of free folk states and national states?

Can the forces—for example, traditional British statecraft—still break the destructive Jewish influence or not?

This question, as we have already said, is very hard to answer. It depends on too many factors for a conclusive judgment to be given. One thing is certain: *In one state the existing state power can be regarded as so solidly stabilized, and so unconditionally at the service of national interests, that we can no longer speak of a really effective blocking of political needs by international Jewish forces.*

The struggle which Fascist Italy is carrying on, perhaps at bottom unconsciously (although personally I do not think this is the case), against the three main weapons of Jewry is the best omen that, if only indirectly, the fangs will be torn out of this super-state power. The prohibition of Masonic secret societies, the persecution of the super-national press as well as the continuous undermining of international Marxism, and, on the other hand, the steady fortifying of the Fascist state conception, will, in the course of years, enable the Fascist government to serve the interests of the Italian nation increasingly, without concern for the hissing of the Jewish world hydra.

The matter is more difficult in England. In this country of "the freest democracy" the Jew still underhandedly dictates to public opinion almost without hindrance. And nevertheless here, too, there is proceeding a continuous struggle between the representatives of British state interests and the champions of a Jewish world dictatorship.

How sharply these antitheses sometimes crash against each other could be most clearly seen for the first time after the war in the different positions taken on the Japanese question, on the one hand, by British state leadership, and, on the other, by the press.

Immediately after the end of the war the old American-Japanese mutual antagonism again began to manifest itself. Naturally, the great European world powers could not remain indifferent to this newly threatening danger of war. All the kinship connections, however, could not prevent a certain feeling of envious concern in England

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for the growth of the American Union in all fields of international economic and power politics. A new mistress of the world seemed to be growing out of the former colonial country, the child of the great mother. It is understandable if England today reexamines her former alliances in anxious disquiet and if British statecraft stares with dread toward a time when it will no longer be said: *"England overseas," but "the seas for America."*

The gigantic American state colossus, with its enormous wealth of virgin soil, is more difficult to attack than the wedged-in German Reich. If sometime here, too, the dice shall roll for a final decision, England would be doomed, were she to stand alone. Hence they anxiously reach out for the yellow fist and cling to an alliance which, viewed racially, is perhaps irresponsible, but which, nevertheless, politically offers the sole possibility of reinforcing the British world position in the face of the aspiring American continent.

While, then, English state leadership did not, despite the joint struggle on the battlefields of Europe, wish to decide to relax the alliance with its Asiastic partner, the entire Jew press fell on this alliance from behind.

How can the organ of a Northcliffe, the loyal shield-bearer of the British struggle against the German Reich, now suddenly practice disloyalty and take its own course?

The destruction of Germany was not an English but primarily a Jewish interest, just as today, too, a destruction of Japan serves British state interests less than the far-reaching desires of the leaders of the projected Jewish world empire. While England wears itself out maintaining its position on the globe, the Jew organizes his attack for the conquest of the same.

He sees the contemporary European states already as powerless tools in his hand, whether through the indirect means of so-called Western democracy or in the form of direct rule through Russian bolshevism. Yet it is not only the old world which he regards as thus ensnared, but the same fate threatens the new also. Jews are the regents of the stock-exchange power of the American Union. Every year they manage to become increasingly the controlling masters of the labor power of a people of 120,000,000 souls; one great man, Ford, to their exasperation still holds out independently there even now.

With rapacious cleverness they knead public opinion and form from it the instrument of a struggle for their own future.

Already the greatest heads of Jewry envisage the approach of the fulfilment of the hereditary slogan of the great devouring of the nations.

Within this great herd of denationalized colonial regions, a single independent state could, at the last moment, still undo the entire job. Because a bolshevist world could survive only if it included everything.

If only one state remains standing in its national power and greatness, the world empire of Jewish satrapies would and must, like every tyranny on the globe, succumb to the power of the national idea.

The Jew knows only too accurately that, owing to his millennium of adaptation, he has it well within his power to undermine European peoples and to train them to be sexless bastards, only he would hardly be in a position to subject an Asiatic national state like Japan to this fate. Today he can ape Germans and English, Americans and French, but he has no bridges to the yellow Asiatics. Therefore, he strives to break the Japanese national state by the power of existing similar structures, to finish off the dangerous opponent before the last state power is transformed in his hands into a despotism over defenseless beings.

He dreads a Japanese national state in his millennial Jew empire, and therefore wishes its destruction in advance of the founding of his own dictatorship.

Therefore, he is now inciting the nations against Japan, as against Germany, and it can happen that, while British statecraft still tries to build on the alliance with Japan, the British-Jewish press already demands struggle against the ally and prepares the destructive war under the proclamation of democracy and the battle cry: Down with Japanese militarism and imperialism.

Thus insubordinate has the Jew now become in England. The struggle against this Jewish world danger will, moreover, also start at this point.

And again precisely the National Socialist movement has its mightiest tasks to fulfill:

It must open the eyes of the people concerning foreign nations and must over and over again recall who is the real enemy of our present world. In place of the insane hate for Aryans, from whom almost anything at all can separate us, people to whom, however, we are united by common blood or the main lines of a related culture, it must condemn to general wrath the evil enemy of humanity as the true creator of all suffering.

But it must see to it that, at least in our country, the most deadly enemy is recognized and that the struggle against him, like an illuminating sign of a brighter epoch, also shows to the other nations the road to the salvation of a struggling Aryan humanity.

For the rest, may Reason be our leader, Will our might. The sacred duty to act thus gives us determination, and our highest protector remains our faith.

THE COMING SHOWDOWN WITH FRANCE

I do not believe for a moment that France's intentions with respect to us can ever change; because they have their deepest motive nowhere but in the French nation's sense of self-preservation. Were I a Frenchman myself, and were France's greatness as dear to me as is Germany's sacred, then I could and would not act otherwise than Clemenceau himself did in the end. Only through the

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obliteration of Germany can a France which is slowly withering, not only in its population figures, but especially in its racially best elements, maintain its world importance in the long run. French policy may make a thousand detours, but somewhere at the end will always be this goal as the realization of its last desire and deepest yearning. But it is wrong to believe that a purely *passive* will, seeking only self-preservation, can in the long run offer resistance to a not less powerful but *actively* advancing will. *As long as the eternal conflict between Germany and France is carried on only in the form of a German defense against French attack, it will never be decided, but Germany, from century to century, will lose one position after the other.* Follow the wandering of the German-language frontier from the twelfth century until today, and one will hardly be able longer to build on the success of an attitude and a development which has already done us so much damage.

Only when this is fully understood in Germany so that the German nation's will to live is no longer allowed to waste itself in purely passive defensiveness, but is drawn together for a decisive, active settlement with France, and is thrown into a final decisive battle for the vastest German final goals; only then will it be possible to bring to a conclusion our eternal struggle with France, in itself so fruitless; on condition, of course, that Germany really sees in France's destruction a means of subsequently and finally giving our nation a chance to expand elsewhere.

STEP BY STEP

In all cases which involve the fulfilment of apparently impossible demands or tasks, the entire attention of a people has to be united uniformly on this one question in such a manner as though indeed its existence or nonexistence depended upon its solution. Only thus will one make a people willing and able to undertake truly great achievements and efforts.

This principle is valid also for the individual, as far as he wishes to attain great goals. He, too, will be able to do this only in step-like sections. He, too, will then always have to unite his entire efforts on the reaching of a certain limited task, until this seems to be fulfilled and the marking of a new section can be undertaken. He who does not carry out the partition of the way to be conquered into single sections, and then tries to conquer them planfully with sharpest concentration of all forces, one by one, will never be able to arrive at the goal, but he will remain lying somewhere on the way, perhaps even by the side of it. This gradual approach to a goal by work is an art, and it requires at a time the staking of actually the utmost energy in order to conquer the way, step by step.

This is, therefore, the very first preliminary condition which is necessary for the attack on so difficult a part of the human way, the condition that the leadership succeeds in presenting to the masses of the people just the part of the goal which has to be reached, or, rather, which has to be fought for, as the one that is now solely and alone worthy of human attention, and upon the conquest of which everything depends. The great masses of the people, anyhow, can never see the whole way before them without getting tired and without despairing of the task. They will keep the goal before their eyes only to a certain extent, but they will be able to visualize the way only in small sections, similar to the wanderer who also knows and is aware of the end of his journey, but who overcomes the endless road better if he cuts it up into sections and now marches ahead toward each single one, as though this were the desired goal. Only thus he advances without despairing.

Pocket Guide

MAKING PAGE ONE

MAYBE you'd like to know what lies behind some of the "human interest" stories that you read in the papers. In Miami the Walgreen drug chain opened a million-dollar store—the "Cathedral of the Toothbrush." One of their advertising stunts was to run an item in the Help Wanted column of Miami papers: "A wife for Santa Claus. Must be plump, cheerful, etc." Santa Claus is lonely and "misses a Missus." Twenty-five middle-aged women applied, one of whom was hired and dressed up in a days-of-yore Santa Claus outfit except that she wore a red skirt. The store planned a wedding ceremony but didn't get around to it. As the result of this foolish story Walgreen's got into the papers all over the United States, and into a broadcast in New York.

Another chain drugstore put over this one. A shipment of cod-liver oil came from Norway to Chicago. The drug firm rushed a box supposedly containing 500 bottles from the boat to an airplane. It got a laundryman to put some Chinese lettering on the box and photographed it with a pretty air-line hostess. The plane flew to San Francisco; there the precious oil was transferred to the China Clipper and flown across the Pacific to China—as a donation to refugee Chinese children, so the news stories ran. As a matter of fact the box that was rushed, with every advantage of invention and speed, from Chicago to Shanghai was empty. But the story made the daily papers, big and little, and many of the weeklies. And everybody connected with the affair forgot to mention that one of the great cod fisheries of the world is off the coast of Asia.

The story about the veteran employee is always good. You take a man about seventy years old and create a fiftieth anniversary for him—a fiftieth anniversary as a pharmacist, say. It makes page one. That works so well that you get hold of a soda clerk who is supposed to have done the same thing. It is good stuff because he can tell how much cleaner and better soda fountains are now than they used to be.

Of course the air lines don't have to half try to get big news stories. It is now illegal for them to give free passes to newspapermen, but publicity men tell me it is still being done. I marvel at the newspaper space given to silly publicity stunts.

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They drop a golf ball from a plane to see how high it will bounce; or they drop an unbreakable fountain pen to see if it will break; or they hold a class 3,000 feet up with a few children and a teacher.

The hostesses provide inexhaustible material. They get married and it is "Motherhood Versus a Career," or "She's Been in the Air and Now She's Got Her Feet on the Ground." One hostess was given a fashionable coming-out party by a group of "uncles" (among them, Franchot Tone, who ought to know better) as a scheme for American Air Lines. Of course, it was also publicity for the "uncles."

For an airplane show planes are delivered in parts and put together inside the building. But for a Chicago show a big Lockheed plane landed in the parking lot in front. It could have ruined the plane; it could have wrecked the surrounding buildings. But what of that? It made the papers.

One of the reasons that Florida gets so much free newspaper space is that many of the publicity men are connected with the press or are themselves newspapermen. Saint Petersburg, which is a quiet place and has always been a refuge for quiet people, wants to get into the big show and the big money. So for several years it hasn't allowed any pictures to go out showing middle-aged or elderly people. All the photographs have to show vim and youth, masculinity and the bathing-suit girl. You get the idea that Florida is just one big bathing-beauty contest. But most of the contests never come off; they appear only in the press releases.

One fantastic and foolish trick that got miles of space was worked during National Milk Week by the railroads and the milk companies. A bet was made at a public dinner that cubes of milk, instead of coal, would run a train from Chicago to somewhere or other. And so a train was run at vast expense, and made both the station and the papers.

Most of these tricks are merely amusing. They don't sell many goods; they don't really do much harm, except to the newspapers. They probably don't make you buy any drugs you didn't mean to buy before or get you down to Florida unless you were looking for a warm place anyway. But some other publicity campaigns are not quite so amusing.

If you have a little time you should look over the story of what the National Association of Manufacturers has done, as shown at the La Follette committee hearings. Consider its "Harmony" campaign—"Prosperity dwells where harmony reigns." This was a series of twelve ads published in labor towns before and during a strike. They did not mention the N. A. M. but were signed by the Monday Night Musical Club, or the American Legion, or the Rotary Club. They were full of threats like, "Imagine our town without industries," and the chorus was always, "The American way is the best way," without any definition of what was meant by the "American way." These campaigns have broken some strikes, but they have failed as often as they have succeeded. The only comfort I can get out of the whole business is that most of the millions of dollars spent have been wasted.

HELEN WOODWARD

[In the Pocket Guide of February 18 the *Consumers Guide* was inadvertently listed as a publication of the Food and Drug Administration of the Department of Agriculture. The *Guide* is published by the Consumers' Council Division of the Agricultural Adjustment Administration.—H. W.]

In the Wind

ALARMED BY the impact of the anti-Japanese boycott, leading Japanese business men in the United States held a private conclave recently to discuss counter-measures. The participants agreed dolefully that the boycott has done grave damage to Japanese business, lamented that even Japanese-Americans don't buy enough Japanese-made goods, and blamed the boycott on "4,500,000 American Jews."

TO ACCOMPANY an article on the naval maneuvers *Time* recently published a map showing the line-up in the Caribbean. Not until the issue was off the press was it noticed that the map-maker had labeled the San Juan base "Don Juan."

DURING AMBASSADOR KENNEDY'S last visit to Washington, capital columnists reported that he had expressed deep anxiety to Administration leaders over the possibility of a Franco victory in Spain. He was said to interpret such a victory as a menace to democracy. Now Catholic newspapers insist they have learned "on high authority" that he never made such statements and never "expressed an opinion on this matter."

FRENCH PAPERS are telling the story of an Italian sculptor who carved a Venus and buried it in a field. A French peasant dug it up and submitted it to the National Beaux Arts Committee, which announced that it was a rare antiquity. The peasant is now exhibiting it for a fee; the sculptor is striving to recover it but can't because it has been certified as an "ancient relic"; and the embarrassed committee is stubbornly refusing to admit its error.

CONFUSION IS still widespread in Britain's Air Raid Precaution program, with bulletins from the Home Office and the Ministry of Health frequently at variance. The Health officials recently informed one northern town that it would be a major refuge for evacuated children. The same town has now received word from the Home Office that it is a point of special danger and should hasten its air-raid preparations.

ON JANUARY 28 observant readers of the New York *Herald Tribune* encountered two dispatches signed by the paper's correspondent Joseph Barnes. One carried a Moscow date line; the other was from Berlin, with the same date.

ADDITIONAL EVIDENCE of the break-up of the Hearst empire can be found in small advertisements carried by newspapers on the West Coast. One runs: "Rare birds at everyday prices, guineas, pheasants, jungle fowl, and wild turkeys. Choice matings now available. Hearst Ranch Game Unit, San Simeon, California." From the ranch itself comes word that virtually every loose item is for sale, regardless of original cost.

[*We invite our readers to submit material for In the Wind. The $5 prize for the best item submitted in February goes to David Epps of Portland, Oregon, for the item about the Oregon labor law printed two weeks ago.*]

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Issues and Men

BY OSWALD GARRISON VILLARD

ON MARCH 2, 1829, there was born in Liblar, near Cologne, Carl Schurz. This March 2 is therefore the 110th anniversary of the birth of one of the greatest Americans. He is usually called a German-American, but I am never able to think of him as anything but an American of purest ray serene. As a boy and as a young man I knew him well, and I had his confidence and his affectionate friendship until he died; when, after my father's death, he called me his "adopted son," I was happy and proud. For this was a very great man, one of those rare men who cannot be spoiled by high office. He could not be weaned from his ideals even though those ideals in the last years of his life drove him into working with smaller and smaller minorities. He rose to hold higher offices than any other foreign-born citizen of the United States, and since he was a revolutionist against his king in Germany in 1848, barely escaping with his life, he combined in himself the finest German idealism with our own American spirit.

When I think of him, strangely enough I thank God that he is dead, for I know that the present situation of the world, and particularly that of Germany, would pain him so dreadfully that he would wish that he were dead. He would be ashamed of having any German blood in his veins, and that magnificent voice and superb intellect would be devoting themselves to denouncing not only what is happening in Germany but also the Fritz Kuhns and the miserable, recreant German-Americans who crowded into Madison Square Garden the other night. With all the earnestness and eloquence and power of which he was capable—a power that swung at least one Presidential election in this country—he would be insisting that there can be no such thing as a divided allegiance; that whatever sentimental sympathy he might feel for the country in which he was born, there could be not one iota of sympathy within him for the brutalizing, degrading, murderous dictatorship of a Hitler. All that overwhelming sarcasm of which he was a master would be applying itself to the contention of the Kuhns that one can be a loyal American and favor a "Gentile America"; that one can be a loyal American here, believing in republican institutions, and also believe in Hitlerism for Germany. That hypocrisy, that incredible stupidity and self-deceit where it is sincere, he would tear into shreds—he who fought at Gettysburg, lying for hours in the cemetery under the shells of Robert E. Lee's army, proud and happy to give his life if need be for his belief that there is no better way in the world for the world than democracy—of whites and blacks and Jews and Gentiles alike.

Soon after he reached this country he wrote a letter to an old friend at home in which, after reciting some of the inconsistencies and weaknesses of democracy, he said:

> The democrat just arrived from Europe, who has so far lived in a world of ideas and has had no opportunity to see these ideas put into actual, sound practice, will ask himself, hesitatingly, Is this, indeed, a free people? Is this a real democracy? . . . Yes, this is humanity when it is free. . . . All strength, all weakness, all that is good, all that is bad, is here in full view and in free activity. The struggle of principles goes on unimpeded; outward freedom shows us which enemies have to be overcome before we can gain inner freedom. He who wishes liberty must not be surprised if men do not appear better than they are. Freedom is the only state in which it is possible for men to learn to know themselves, in which they show themselves. . . . Here they allow the Jesuits to manage their own affairs; they are not killed, they are not driven out, because democracy admits the liberty of every creed as long as it does not impair the civic liberty of others. They are not opposed with the weapon of official power but simply with that of public opinion.

And then he wrote these words, so applicable today:

> Every glance into the political life of America strengthens my conviction that the aim of a revolution can be nothing else than to make room for the will of the people—in other words, to break every authority which has its organization in the life of the state, and, as far as is possible, to overturn the barriers to individual liberty.

Can anyone doubt how he would stand in regard to the Germany of Hitler, which has as its aim, not the breaking of every authority which is rooted in the life of the state, but the intrenching of the authority of the state so as to subordinate absolutely to it the life, the mind, the soul of the individual? If Hitler were as pure as snow; if his methods instead of being wicked were of the finest and noblest, Carl Schurz would be speaking out against him. He does speak out against him. Everything in his life and every one of his teachings, all his magnificent devotion to the republic that he served as diplomat, as general, as Senator, and as a member of the Cabinet, speaks out today against Hitler. If any German-Americans do not hear that voice and do not subscribe to its teachings, then I can only say again that they are recreant Americans who have perjured themselves in swearing fealty to this our country.

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BOOKS *and the* ARTS

Brown Danube

WHEN THERE IS NO PEACE. By Hamilton Fish Armstrong. The Macmillan Company. $1.75.

SURVEY AFTER MUNICH. By Graham Hutton. Little, Brown and Company. $2.50.

IN THE valley of the Danube Slavs and Germans have met and fought for centuries. For a time the Turks pushed back both, but as the Ottoman power receded, the struggle broke out anew. Rivalry over the domination of Danubia precipitated the Great War. But the resultant breakdown, not merely of the Hapsburg empire but of its economic system, left the region a mosaic of poverty-stricken small states, divided by tariff barriers and weakened internally by minorities —an easy and obvious prey for resurgent German imperialism.

Barely a year ago *Anschluss* muddied the waters of the blue Danube, and the brown flood started rolling toward the Black Sea. Mr. Armstrong describes how it burst the Czechoslovakian dikes: Mr. Hutton surveys the land it now menaces. Their two books complement each other admirably.

At Munich the Western powers gave the destiny of Danubia and with it the destiny of Europe into the hands of Germany. In so doing Mr. Chamberlain claimed that he had secured "peace in our time." But, as both these books argue powerfully, there was nothing peaceful about the Peace of Munich. It was rather a military victory important to the men who achieved it, not because it concluded a war, but because it prepared the ground for the next campaign. The fascist dictators—and this is the essential point which Chamberlain has never grasped—are not waiting for the fighting to start before they begin to wage war. In their own minds they declared war on the West long ago, accepting the full implications of Clausewitz's dictum: "War is a continuation of policy."

Mr. Armstrong's brilliantly told story opens with Hitler's announcement in February, 1938, that he claimed the guardianship of ten million Germans beyond the frontiers. The same day Mr. Eden resigned and Neville Chamberlain took personal charge of British foreign policy. Determined that whatever happened Britain should not fight for "a far-away country of which we know nothing," his tactics played completely into Hitler's hands. At home he organized pacifist sentiment; abroad he put pressure on France to ignore its treaty commitments, knowing that if France became involved Britain could not keep out.

Mr. Armstrong makes no claims to write an inside history. The facts he offers have nearly all appeared in the press, but he has arranged them in lucid chronological order and has brought out the full significance of incidents which at the time were often overlooked. He prints one hitherto unpublished document—the reply of the Czech government to the first Anglo-French demand for surrender of the Sudetenland. This dignified protest was omitted from the British White Paper on the crisis. No wonder! It would surely have caused that compilation to turn pink from shame. For it exposed with deadly accuracy realities to which Chamberlain and Daladier turned a blind eye. It demonstrated incontrovertibly the fact, to quote its final words, that "it is not only the fate of Czechoslovakia which is at stake but that of other countries and notably of France."

Mr. Hutton, one of the brilliant writers who have made the London *Economist* so outstanding a journal, bears impressive testimony to the truth of that statement. Reviewing the post-Munich map of Europe he shows how the balance of power has been tilted toward Berlin and how the Nazi strategic position has been improved. The nightmare which always troubled aggressive German militarism was the fear of war on its eastern and western fronts simultaneously. That fear has been removed by the destruction of Czechoslovakia. Now the Danube valley can no longer form a line of attack or a center of resistance against Germany; instead it becomes a promising source of supply. In an interesting discussion of communications in Southeastern Europe Mr. Hutton shows how all the main traffic arteries are now under German control and outlines the plans being laid for the addition to existing facilities of canals and a trunk-road network.

The necessity for such developments before Germany can exploit to the full the resources of Danubia has, however, produced new dilemmas. How is a country suffering from a chronic shortage of capital to supply the means for organizing this great region? Can the work be accomplished before high policy demands a blow against the West? For to strike such a blow might prove fatal if it led to a prolonged war. By the magnitude of their armament efforts Germany and Italy have won great victories without open war but at heavy cost. The task has left their economies debilitated and in no shape to undertake a war of attrition. If they failed to win in a few weeks by means of aerial terrorization, time would work on the side of Britain and France.

Hence, as Mr. Hutton so convincingly argues, the vital importance of Danubia. For there potentially are the foodstuffs, the minerals, the oil which, if production were fully organized, would enable the axis powers to defy blockade. The opportunity is tremendous, but so are the obstacles to its achievement. In an invaluable chapter Mr. Hutton describes the way in which Germany has reduced unemployment to the vanishing-point while avoiding internal inflation. It has done it by diverting a larger and larger proportion of total production to capital goods—mainly armaments or the means of making them—while holding down all forms of consumer income. But now capacity has been reached at a time when the consolidation of the Munich victory demands a still larger output of capital goods. If the consumer cannot be squeezed further, the railroad material and the machinery needed for the development of Danubia must be provided by cutting down armaments. Thus Hitler in rescuing Germany from a military dilemma has impaled it on the horns of an economic one. The great question for Europe and the world in 1939 is: By what method will he seek escape this time?

Mr. Hutton does not attempt to give any final answer to

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this question. What he does do is to provide the student of foreign affairs with a wealth of facts bearing on it which will serve to illuminate press dispatches for many months ahead. If there is any criticism to be made of his book it is that the facts are rammed in too tightly and have not been organized as carefully as might be desired. But this is an excusable fault in a work which had to be written in haste and is sufficiently up to date to take in events of last December.

KEITH HUTCHISON

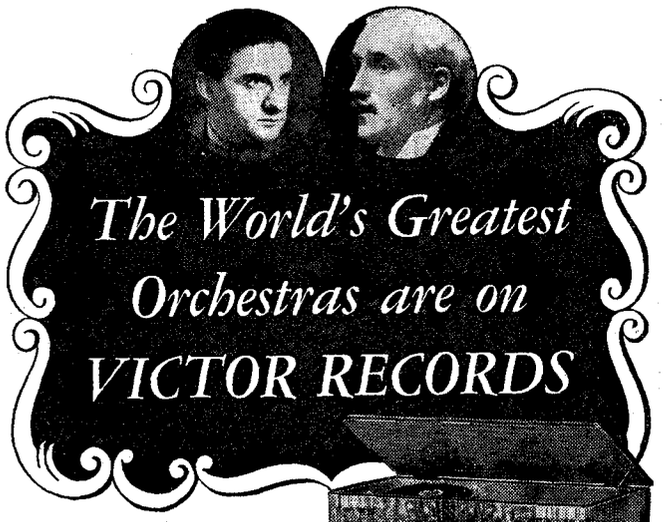
Oriental Counterpoint

THE PATRIOT. By Pearl S. Buck. John Day Company. $2.50.

IT WOULD be unfortunate if Pearl Buck's new novel, coming in the wake of the Nobel Prize award to her, were no more successful than the novels of the American scene which she has written in the last several years. In "The Patriot" she has returned to the Orient to present a fictional biography which not only is compelling by its timeliness but is probably the best of her books since "The Good Earth." It is none the less not comparable; though her craft is surer now, "The Patriot" lacks the wide cultural dimensions of the earlier book. What she has managed admirably here is to give the bifocal vision of both China and Japan during the current conflict without debasing her narrative interest with propaganda. There is no rancor in the book, and its only political implication seems to be that the two nations, though of different clay, must eventually, intelligently, blend.

This is the story of I-wan and Tama, of China and Japan. I-wan, the son of a banker and Chiang Kai-shek's friend, worked as a youth toward the Communist revolution, hating his own comfort, the rich rugs a poor man would love to sleep beneath, the service of pretty slaves, the smell of opium, and old men. But Chiang Kai-shek occupied Shanghai, and when I-wan's revolutionary activities were discovered, his father saved him only by shipping him to Japan. He met Tama there, in the house of Muraki, the Japanese importer, who soon would be trading in the loot of Shanghai. It was an ordered house, like all Japan, and I-wan came to know in a few years that this exquisite spare order, in gardens as well as troops, was the result of ruthless discipline; even the earth of Japan was shaped despotically. And he soon learned too that the Tama he married would gladly have sacrificed her love to marry General Seki if she had felt her country needed Japanese sons to raise for war.

But news of the conflict in China seeped slowly through the censored press, and only when Bunji, once I-wan's friend, returned a brute from a world of slaughter and rape, and when the treasures of China were flung into his agency's hands, could he realize his country's need of him and his need to return. Yet it was the Japanese who taught him this patriotism, this larger love for his own land; it was Tama who confirmed it; and it was the destruction of their home by earthquake and flood, as Japan had been so often destroyed, which persuaded him that China's enemy had been formidably trained to vaster foes than man. So I-wan went home, lamenting his sons, while Tama in Japan taught them not to hate their father, the patriot. He joined his old Communist



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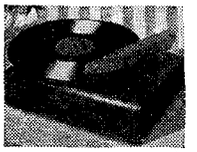

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friends, who at last had swallowed their ideals to follow Chiang Kai-shek, for he saw that it was the whole people, and neither familial love nor the fight of factions, that counted now.

Part of the excellence of the book is in the author's detachment from both her inherited China and the Japan she fled to during the revolution, while she weighs without bias the vacillation of one, and the other's lust, weighs equably too the universal qualities of those germane lands which must make them understandable to us. This is fiction, a man's-eye view, not a militarist's, the wise perspective of I-wan, who grew from the theoretical to the actual world and remained China's patriot. His capitalist father, manipulating peace, his Communist hero who loved the fight but not the people, his wife who conscientiously must deny the art her old geisha had taught her of love—these are drawn as small biographies in a work which is as essentially biographical, though it may be framed in fiction, as all Pearl Buck's books. She is not quite a novelist; her creatures are housed haphazardly, and though each of them may grow honestly, draped in her beautiful, nearly monosyllabic style, they have not yet built together a novel's structure. This is none the less a notable fiction of the wretched earths in the East today.

HASSOLDT DAVIS

Revolutionary Realism

APOSTLES OF REVOLUTION. By Max Nomad. Little, Brown and Company. $3.50.

THE frustration of socialism's first attempts to achieve power by means of education and the democratic ballot box in Italy, Germany, Austria, Spain, and Czechoslovakia, the disintegration of "communism" in Russia; the whole development of the world since 1914, which confronts the great and beautiful dreams of the nineteenth century with an ugly reality—these sobering experiences more and more impel the slowly rallying forces of the political and cultural left to analyze the reasons for the defeat of their own and their spiritual ancestors' ideas. In the making is a new radical literature which tries to answer the questions: What happened? Why did it happen? What will follow? Professional eyewitnesses present their journalistic memoirs. Defeated politicians lament. University research workers offer their scholarly findings. Novelists begin to speak who prefer the difficult and painful vision of the entire present to the comfortable partial problems of a psychological past.

The author of "Apostles of Revolution" cannot easily be classified. He falls partly into each of these categories and yet into none of them. He is a lifelong revolutionary who has seen the prisons of more than one country from the inside. He is a warm-hearted activist with a profoundly skeptical mind, a dreamer of realities and a painstaking student of facts, quotations, and anecdotes, a champion of the under-dog but not a demagogue. One feels in his formulations, many of which seem to be either grandiose or petty, that he is honestly conscious—and far from hiding it—of being himself subject to all the contradictory impulses of the human mind. Such an author must be read carefully, and the more critically the more the reader favors independence.

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The volume consists of brief biographies of seven exceptional characters, each of whom represents a school of thought or temperament in the world of progressive action and counteraction: August Blanqui, the martyr; Karl Marx, the teacher; Michael Bakunin, the heretic; Sergey Nachayev, the fanatic; Johann Most, the preacher; Nestor Makhno, the warrior; Joseph Stalin, the hierarch. The labels are those of the author. In four hundred pages he presents a complex aggregation of material, part of which is salvaged from obscurity, part made available for the first time in English. The sketch of Bakunin is particularly excellent, revealing in sixty pages more than Profesor Carr was able to do in six hundred. That the minor figures of Nachayev, Most, and Makhno are treated on the same level as the three "giants" seems to indicate at first a distorted perspective. Then one realizes how the negative characteristics of all of them add up to the reverse side of revolutionary illusion in all its forms. Their positive virtues are assumed to be known and are not stressed. But there can be no doubt that the author enriches our knowledge; and his sharp and witty style drives his points home.

In the introduction, which I read last, the author states that his chief object was "to explain the ever-recurring tragic failures of all revolutionary mass movements, which invariably fall short of achieving their originally professed aims." The use of the words "ever-recurring" veils the fact that he is dealing with limited and relatively short experiences in a world which seems, in contrast to its potentialities, still very primitive. Even if one does not share the vision of the French anarchist poet Laurent Tailhade of the *"Heureux temps d'anarchie ou la plèbe baiserait la trace des pas des poètes,"* one may without illusion visualize a time not too remote in which the simple necessities of life will be granted to everyone. After all, revolutionary mass movements have achieved results. It is only a hundred short years since serfdom and the inhuman exploitation of the early capitalistic period. This, no doubt, the author also knows, even if he does not write much about it. He assures us, however, that his work is not a " 'farewell to revolution' or an admission of the futility of human struggles, even though it is a renunciation of the utopian dream of the final triumph of justice and equality." In other words, he is convinced that an ideal can be approached but never realized 100 per cent. With contemporary propaganda slogans promising a 1,000 per cent fulfilment, the temptation to restate the old truism is understandable and even useful. Happily enough, "Apostles of Revolution" conveys much more: that however difficult and from time to time discouraging the fight of the common people may be, this fight is in itself a noble reality and will never cease. That the champions of the just cause, their books and their actions, show as often as not weaknesses of every kind will not disturb the true fighter. Max Nomad proves by his own life that he at least is little frightened by the ghosts of skepticism that haunt him—and sometimes fool him in his capacity as author.

"Apostles of Revolution" is a distinct contribution to the literature of revolutionary self-criticism. It expresses the growing desire to see the "naked truth." I hope every reader of this book, and I wish it may have many, will be able to penetrate its discouraging surface; he will then experience the kind of "pessimism" on which "optimism" grows.

FRANZ HOELLERING

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Toward a Better America

ROPE OF GOLD. By Josephine Herbst. Harcourt, Brace and Company. $2.50.

SEASONED TIMBER. By Dorothy Canfield. Harcourt, Brace and Company. $2.50.

A SERIOUS novelist these days finds it difficult not to be concerned in some way with the contemporary scene. We live in a world which seems to be changing every day, not for the better. And as it is, it is bad enough. Both Miss Herbst and Miss Canfield write seriously about our times. Their novels, which superficially are very different, complement each other. Man, says Miss Canfield, cannot live by bread alone. But if he doesn't eat, Miss Herbst says grimly, he will die! Both writers, moreover, indicate that within man himself lies the remedy for his difficulties: he must have fortitude, use vigilance, act strongly to protect himself from the enemies which are trying to destroy democracy. Miss Herbst's enemies are mainly greed and exploitation; Miss Canfield's are the denial of intellect and the suppression of the free mind.

Taking a large canvas which includes the East as well as the West, farms as well as the industrial cities, Miss Herbst writes about the underprivileged. There are farmers who live in daily terror of the all-enveloping maw of the bank. The black days on their calendars are interest days; they work while daylight lasts not only to preserve their crops and their families from the ravages of the weather—drought, hail, dust—and all the insect pests that farmers have always fought but from a burden of debt that threatens to bury their future. Nor does the industrial worker who has left the farm to go to the city fare any better. There are not enough jobs to go around; workers are subjected to the speed-up and numbed by the monotony of the moving belt; and they must fight for the right of legitimate protest in the form of union organization. (It should be explained that these are automobile workers and the time is from 1935 to 1937.) Miss Herbst is passionately involved in the problems of her characters. She makes their bitter need seem very real; and with a fine sense of dramatic climax she builds up to the release and promise of a farmers' union and the sitdown strike as weapons to carve out better days. Her protagonist is a young man from a well-to-do family who has devoted himself to the interests of workers and farmers; the villain of the piece is his brother, a smart young business man quick to adopt the weapons of the scab and the informer to keep the workers quiet. Both are sensitively drawn, neither one wholly bad or wholly good, not particularly happy or satisfied, both anxious to protect the rights which seem to each essential, although the rights of one are directly opposed to the rights of the other. A love affair with a girl who was brought up with the working class enriches and complicates the life of the hero. But the main job is not love or family happiness or earning enough money to be comfortable; it is work, day and night, for the cause, for those persons who are denied, and must have, economic security.

Miss Canfield limits herself geographically to Vermont, with a brief look-in at New York City. Her characters are the hard-bitten, reticent Vermonters who people New Eng-

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land novels as well as the Vermont hills. The sense of country living here is very strong and sweet: water rushing over rocks, red and gold in a New England autumn, the blue shadows cast by the firs over the crusty snow. But there is poverty here, too, and poor farms. Even the towns are poor. Miss Canfield's particular town is dominated by the academy to which the local boys and girls as well as a few outsiders go for a practical as well as a theoretical education. The academy in turn is dominated by its principal, a man of culture, who in the best sense deserves the name civilized. In the first half of her book, Miss Canfield plagues the principal by having him fall in love, at forty-five, with a young school teacher. Then she gets down to business, and having thoroughly established her background of democracy governed by reason and the libertarian tradition, she throws the bone of anti-Semitism into her little town. The ensuing dog-fight provides real drama. The academy's only rich trustee leaves a million dollars to the school on condition, first, that it be made into a preparatory school for rich men's sons and, second, that no Jew be permitted to become a student. A million dollars is a lot of money; the school has never had many Jewish students. The town doesn't know much about Jews. But it does know about its own principles; and it dislikes being bossed by outsiders. The bequest is refused, but not without a struggle; freedom of thought has as many enemies these days as has the farmers' union.

It should be clear that both these books are intensely American. One looks back at the American past and fights its battle for the tradition of tolerance; one looks forward to the American future and a better day for exploited and desperate people. In a sense one represents the liberal, the other the radical point of view, but the aim of both is the same. For Americans, however they may be situated, both books have a great deal to say. DOROTHY VAN DOREN

Prelude to Versailles

THE FORGOTTEN PEACE. BREST-LITOVSK, MARCH, 1918. By John W. Wheeler-Bennett. William Morrow and Company. $5.

IN THESE days which are marked by an effort to "revise" the Treaty of Versailles and to reestablish the peace treaties of Brest-Litovsk and Bucharest, Mr. Wheeler-Bennett's book should be prescribed reading. The author is an Englishman who has devoted many years of study to the consequences of the peace treaties, and who has discussed in a large number of books the different phases of the reparations and disarmament problems. Whereas these books remained known only to the specialist, his book on Hindenburg introduced him to a wider circle of readers. The present book, undoubtedly his best, will be of equal interest to the specialist and to the general reader.

It is a dramatic story. Its background is the Russian Revolution in its prime, Lenin and Trotsky having just come to power; opposed to the new government is the victorious German army preparing, after the collapse of Russia, for the great offensive in the West in the spring of 1918. The Russian revolutionaries and the generals and diplomats of the Hohenzollern regime confront each other. The problems of "national self-determination," abused for the purposes of

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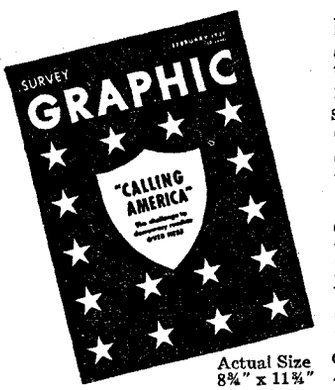

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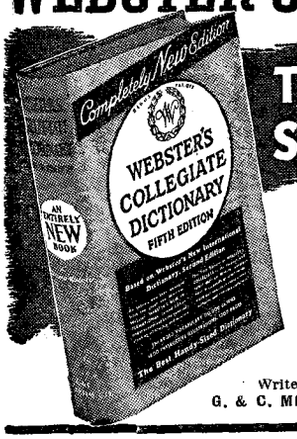

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naked power politics, the specter of the proletarian revolution, the aims of economic imperialism, and the struggle for strategic positions to insure further victory were then interwoven in a complex picture, as they are today. It is history, but it is a history not only of a period twenty years in the past but also of our own days.

The Treaty of Brest-Litovsk revealed to the world the degree to which the army high command and the annexationist party ruled Germany and how impossible it was to arrive at a peace of understanding with them. The motives which animated General Hoffmann, probably with Ludendorff the most gifted German general of the World War period, were the destruction of Bolshevism and the limitless expansion of German influence eastward; the same motives animate many Germans today—not only the Nazis but also the German nationalists on whose behalf German colonization of Russia was proposed by Dr. Schacht in Rome in November, 1932, and by Hugenberg in London in June, 1933.

On March 18, 1918, the German Reichstag discussed the terms of the Treaty of Brest-Litovsk. "The parties of the right and center were openly jubilant at having achieved peace in the East on their own terms, and expressed enthusiastic hopes that the great offensive in the West, which was about to be launched, would shortly result in a similar peace." Against some attempt by the left to secure the possibility of future friendly relations with Russia, Gustav Stresemann, who acted as the usual mouthpiece of the supreme army command, exclaimed: "Here the right of self-determination does not apply. I do not believe in Wilson's universal League of Nations; I believe that after the conclusion of peace it will burst like a soap bubble." As the debate proceeded, news came that the allied armies were retreating before the hammer blows of Ludendorff. "With the news of victory in their ears, the deputies ratified the treaty on March 22. Only the Independent Socialists opposed. The Social Democrats abstained from voting and thereby forfeited their right of protest when later they themselves were forced to submit to a dictated peace."

But the story did not end there. The Peace of Brest-Litovsk did not stop Germany in the East. It was unable to gather the desired fruit of victory. Although the outstanding organizer of the German army, General Gröner, was sent to the Ukraine, he could not collect the grain, for the peasants refused to cooperate. The "independence movement" of the Ukraine collapsed quickly; the peasants turned to Moscow. But the Germans were insatiable. Expeditionary forces penetrated into Baku; others occupied the Crimean ports, and the German colonists in the Crimea were urged to appeal to the Kaiser for annexation. General Gröner outlined plans for the ultimate partitioning of Russia into several independent states, thereby eliminating forever a great Russia capable of stopping the German march eastward. But these schemes of expansion were not to endure. Ludendorff, beaten on the Western front by the Allied armies, was obliged to sue for peace.

The reply which came from President Wilson on September 27 declared, "We are all agreed that there can be no peace obtained by any kind of bargain or compromise with the governments of the Central Powers, because we have seen them deal with other governments at Brest-Litovsk and

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at Bucharest. They have convinced us that they do not intend justice. They observe no covenants, accept no principles but force and their own interests." Germany by its treatment of Russia had shown the consequences of defeat at its hands. This gave to the Allies, finally, that degree of cooperation which was necessary for victory. Germany's defeat in the West undid the Treaty of Brest-Litovsk but its spirit survived. Will there be a new Brest-Litovsk in our days, and will defeat or victory in the East be again closely linked with events in the West? Mr. Wheeler-Bennett cannot answer these questions, but his book will make the reader understand the psychological factors upon which the future depends.

HANS KOHN

Awaiting the Fire

HERE COMES A CANDLE. By Storm Jameson. The Macmillan Company. $2.50.

THIS is the story, told as it were in flashlight photographs, of a number of unrelated people living in poverty and discomfort in an old courtyard building in London's Soho. There is Captain Randall, a dislocated ex-officer whose latest venture is the Screech Owl night club; there are the Pizettis, who keep the cafe bar and are scraping together enough money to enable them to go back to Italy; there is the Barley family, the man a craftsman carpenter steadily losing in competition with the big firms; there are two prostitutes, successful and unsuccessful; there is an old woman anarchist, and another old woman who wants to go back to the country; there is a young girl in love with a flying instructor; and a mysterious doctor. What unites them is that they are all in some way waiting for something, chiefly a chance of escape. No longer post-war, they might be described as ante bellum, trying to grab something and run before a smash comes.

The immediate threat, implicit through the book, is that the house will go up in fire. It might be the careless Barley children, who do indeed start a bonfire; it might be old Pop, who searches the refuse bins by the light of his candle; it is certain that Randall, carefully insured and at the end of his tether, will give in to the suggestion of the two professional fire makers, Ben and Franklyn. But the urgency and vitality of the book come from its success in presenting and fusing a group of average-enough representatives of London's flotsam, individuals outside and unrepresentative of the straight and narrow path of most English women novelists. Sometimes, it is true, the flashlight method fails to pick out what is significant in the characters. This is the case with the two old women, the drunken but efficient doctor, and a waiter at the night club. On the other hand, the picture of the younger drab whining her way into the Lock hospital, until her own stupidity brings about a more sudden death, is an excellent etching in the ruthless manner; and good, too, is Pop, who alone is satisfied with his lot and whose discovery of a two-shilling piece ends the book: "You waited for me, he said, holding it affectionately inside his pocket. Now he felt that the country would at least last his time. And after that, what would it matter?" Pop provides if not a moral at least a contrast which might have been expanded.

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Shorter Notices

THE HANNES SCHNEIDER SKI TECHNIQUE. By Benno Rybizka. Harcourt, Brace and Company. $2.50.

Hannes Schneider, inventor and master of the Arlberg ski technique, quotes in his foreword to this excellent ski primer an old Austrian saying:

"Gray is all theory
But grayest the one about ski."

I wish to contradict such skepticism after putting the book of his former assistant—now an exile in this country—to a two-fold test. I studied the book with a beginner and also with one of these numerous "good" skiers who persist in the same faults because they have no theoretical knowledge of the sport they think they are practicing. We read lesson after lesson—dry-skiing indoors—and went outside only after we knew exactly what we wanted to do. In practice—this was most important—we never rushed ahead before mastering the simpler exercises. After a week the beginner was able to start with stem-turns; the advanced skier had lost his bad form and went down the slopes in almost perfect Christianias. That such results could be achieved in so short a time is the best proof of the clearness and efficiency of Mr. Rybizka's method of teaching. He has a very simple, plastic, and colorful way of explaining things; there is nothing grayish in his theories. Beautiful photographs—movie sequences of all the turns—allow one to see the different phases of every movement with the eye of the slow-motion camera. The volume is to be recommended to skiers of all grades. Even the master of skiing will read with profit the short discussion about the necessity of stemming. F. H.

THROUGH THE FOG OF WAR. By Liddell Hart. Random House. $2.50.

At first glance this book may seem a rather casual collection of biographical sketches, historical essays, and reviews of military memoirs. More detailed study, which it well repays, shows a real unity in apparent diversity. Attemping to pierce the fog of untruths with which false patriotism and self-interest have sought to hide unpleasant facts, the author turns a brilliant searchlight on some outstanding personalities and events of the Great War. Masses of new material which have become available in recent years have caused him to revise judgments made in earlier books. He has now come to agree broadly with Lloyd George's view of Haig here exhibited as intolerant, conceited, deceitful, and obstinate—a general who rather than acknowledge error recklessly sacrificed half a million men. Nor are other inflated reputations spared. Liddell Hart's uncompromising search for truth is likely to make him unpopular in military circles. The distinguished German general who a few years ago made a public plea for "camouflage," meaning the discreet veiling of past blunders of the high command, is all too typical. We cannot learn from experience if we allow the history which embodies it to be varnished. It is fortunate that the foremost military historian of our time insists on getting down to the original paint. His books ought to be required reading for intelligent civilians and soldiers alike.

LIFE MAKES ADVANCES. By Madeleine Boyd. Little, Brown and Company. $2.75.

This is an imposture as a novel, and a book singularly embarrassing to review, for any criticism of it must be an affront to the life of the author who has unmistakably written an autobiography in this form. Using the alias of Nicole Desrieux she introduces H. L. Mencken, James Stevens, Padraic Colum, "A. E.," all mistily drawn, and with them that great company of composite characters, even mistier, who were obsessed with the knees of Nicole. It is like the surrealist *collage* which assumes art by the gluing of real objects upon a painted scene. The scene here is panoramic. Nicole traipsed first from France to Ireland in search of Life, and soon met Michael, a critic of promise who married her beneath the more virile nose of the god-like Denys. Michael's appointment as vice-counsul took them to Baltimore, where Nicole continued to repulse her suitors, loathing and desiring them at once. It was only in England at last that she succumbed, to her faithful Denys, then conceded him forever before the needs of Michael's physical frailty and prodigious mind. The writing is deadly. There are a few good details of Nicole's character, but her stature as a heroine is so small that it compels small interest, and even the distinguished names in the book, aside from the question of taste involved, mean no more than a ruse to carry the attention between one and another episode when "all her femininity was for answering his masculinity." That is the tenor of it, and a review in a phrase.

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RICHARD L. STROUT is a Washington correspondent.

HARRY BLOCK, Mexican correspondent of *The Nation*, has in the past written under the name of L. O. Prendergast.

ELIOT JANEWAY has just completed a survey of manufacturers and industries doing business in war supplies.

HASSOLDT DAVIS is a frequent contributor to magazines.

NORAH HOULT is a British novelist, author of "Coming from the Fair" and other books.

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